

## Committee of the Whole (2) Report

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**DATE:** Tuesday, June 17, 2025

**WARD(S):** ALL

**TITLE: TOURISM HOST IN VAUGHAN GRANT – 2025 SUMMER-FALL  
FUND RECOMMENDATIONS**

**FROM:**

Michael Genova, Deputy City Manager, Strategic Initiatives

**ACTION:** DECISION

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**Purpose**

On behalf of the Tourism Vaughan Corporation's Board of Directors, this report seeks Council ratification of the recommendations to fund six organizations for projects proposed under the Tourism Host in Vaughan Grant program. The Tourism Vaughan Corporation Board adopted a recommendation on May 28, 2025, to distribute \$50,000 to local fairs, festivals, and sporting events that contribute to the city's tourism industry. The program is funded from revenues collected under the Vaughan Municipal Accommodation Tax.

**Report Highlights**

- The Tourism Vaughan Corporation was founded in 2019 to develop and promote Vaughan as a tourist destination for visitors and business travelers. Tourism Vaughan is wholly funded by the encumbered portion of the Municipal Accommodation Tax.
- The Tourism Vaughan Corporation is wholly funded by the encumbered portion (50 per cent) of the Municipal Accommodation Tax. Since the inception of the Municipal Accommodation Tax in 2019, the City has collected more than \$14 million in total.
- As a municipal services corporation, the Tourism Vaughan Corporation is operated by City staff within the City of Vaughan's Economic Development department in the Strategic Initiatives portfolio.

### **Report Highlights continued**

- In 2024, the Host in Vaughan Grant program awarded \$123,960 in grant funding to 18 recipients, who in turn, directly invested \$1.2 million in the local economy, and generated an estimated \$2.5 million in economic impact.
- Tourism Vaughan received 10 applications for support from the program between April 10 and May 7, 2025. The submissions were reviewed by a committee of adjudicators, including members of the Tourism Vaughan Advisory Committee and City staff from Economic Development and Recreation Services.
- On May 28, 2025, the Tourism Vaughan Corporation Board of Directors adopted the recommendations to fund six organizations for projects proposed under the Tourism Host in Vaughan Grant program in the amount of \$50,000 out of the total \$230,000 available in 2025, subject to the approval of the Tourism Vaughan Corporation's Voting Member, Vaughan City Council.
- Based on the application details submitted by these six applicants, it is projected that these organizations will invest more than \$1.2 million in direct spending in the local economy with event supply companies, entertainment providers, and other vendors to execute their projects, representing an overall dollar value of investment leveraged ratio of 25:1 on the \$50,000 in contributions that the Host in Vaughan Grant program will invest; meaning, that for every \$1 of grant funding disbursed, the event organizers then invest \$25 in the local economy to deliver their project.
- Grant recipient organizations are required to provide a final report that outlines their event's final budget and operations, including visitation. To improve operations and accountability, Tourism Vaughan will implement an enhanced visitation tracker in 2026.

### **Recommendations**

1. THAT the six projects presented in Attachment 2 of this report be approved to receive funding from the Tourism Vaughan Corporation through the Host in Vaughan Grant program, conditional on confirmation with each applicant of satisfactory proof of their special events permit status, insurance, venue confirmation, prior year financials, and status of good standing with the City of Vaughan.

### **Background**

***The Tourism Vaughan Corporation was founded in 2019 to develop and promote Vaughan as a tourist destination for visitors and business travelers. Tourism Vaughan is wholly funded by the encumbered portion of the Municipal Accommodation Tax.***

The Tourism Vaughan Corporation is Vaughan’s destination marketing and development organization. To achieve its goals, the Tourism Vaughan Action Plan and budget utilize 50 per cent of the revenues generated by the Vaughan Municipal Accommodation Tax under By-law 029-2019.

In Vaughan, the Municipal Accommodation Tax is a four per cent sales tax on hotel night charges. Neighbouring municipalities also levy this sales tax. Vaughan’s four per cent sales tax is the lowest in the region and matched by Markham. Toronto and Mississauga, for example, have a higher municipal accommodation tax.

***The Tourism Vaughan Corporation is wholly funded by the encumbered portion (50 per cent) of the Municipal Accommodation Tax. Since the inception of the Municipal Accommodation Tax in 2019, the City has collected more than \$14 million in total.***

Through legislation, the Municipal Accommodation Tax is split between the encumbered portion and the unencumbered portion. A destination marketing and development organization must manage the encumbered portion, and the municipality is assigned the unencumbered portion to offset costs associated with municipal growth, destination development and management.

| Annual MAT revenue (2019-2024) |           |             |             |             |             |
|--------------------------------|-----------|-------------|-------------|-------------|-------------|
| 2019                           | 2020      | 2021        | 2022        | 2023        | 2024        |
| \$2,117,140                    | \$624,660 | \$1,315,784 | \$2,834,266 | \$3,729,360 | \$3,830,784 |

Table 1: Annual Municipal Accommodation Tax Revenue (2019-24)

***As a municipal services corporation, the Tourism Vaughan Corporation is operated by City staff within the City of Vaughan’s Economic Development department in the Strategic Initiatives portfolio.***

- The following Council-approved initiatives guide the Tourism Vaughan Corporation:
- the City of Vaughan’s Term of Council Strategic Plan.
  - the Economic Development Action Plan.
  - the Tourism Vaughan Action Plan.
  - the Vaughan Destination Master Plan.

As such, City staff, offices, and other resources are invested in supporting Tourism Vaughan’s operations.

***In 2024, the Host in Vaughan Grant program awarded \$123,960 in grant funding to 18 recipients, who in turn, directly invested \$1.2 million in the local economy, and generated an estimated \$2.5 million in economic impact.***

The Host in Vaughan Grant aims to enhance tourism across Vaughan by encouraging visitation and participation at local events. It also encourages strong partnerships between stakeholders in the Vaughan tourism sector. This program helps grow existing events and projects in Vaughan and attracts new activations to the city.

Consideration is given to projects that meet the following objectives:

- delivery of events, product packages and thematic campaigns that support tourism in Vaughan.
- demonstrated traction for the project to draw participants and visitors into Vaughan from more than 40 kilometers away.
- events, activities and programs must take place in the city of Vaughan.
- proposed events and activations encourage residents to participate in their community and generate a sense of pride of place in the city of Vaughan.
- the project promotes inclusivity, cross-cultural collaboration and participation of a diversity of groups and organizations in the city of Vaughan.

The full program guidelines are included as Attachment 1.

Council approved the Tourism Vaughan Corporation's annual budget, which included \$230,000 for Host in Vaughan Grant fund recommendations. The Tourism Vaughan Corporation budget is fully funded through revenues collected under the Municipal Accommodation Tax. The funding categories and corresponding funding levels are presented in Table 2.

Table 2: Host in Vaughan Grant funding categories

| Category                   | Available funding per project/applicant                    |
|----------------------------|------------------------------------------------------------|
| Sports Events (sanctioned) | Up to \$15,000 or up to \$25,000 for International         |
| Business Conferences       | Up to \$5,000 or up to \$10,000 for National/International |
| Tourism Partnerships       | Up to \$10,000                                             |

|                            |                |
|----------------------------|----------------|
| Major Festivals and Events | Up to \$10,000 |
| Community Activations      | Up to \$5,000  |

## **Previous Reports/Authority**

[Committee of the Whole \(2\) Report Extract – Tourism Host in Vaughan Grant – 2025 Spring-Summer Fund Recommendations \(April 8, 2025\)](#)

[Committee of the Whole \(2\) Report Extract – Tourism Vaughan Action Plan - 2025 \(February 11, 2025\)](#)

[Committee of the Whole \(Working Session\) Report Extract – Vaughan Economic Development Action Plan, 2023-27 \(April 10, 2024\)](#)

[Committee of the Whole \(2\) Report Extract - Strengthening and Advancing Small Business and Entrepreneurship Services \(March 8, 2022\)](#)

[Committee of the Whole \(2\) Report Extract - Vaughan Destination Master Plan \(October 13, 2021\)](#)

[City of Vaughan By-Law 029-2019 - Municipal Accommodation Tax](#)

## **Analysis and Options**

***Tourism Vaughan received 10 applications for support from the program between April 10 and May 7, 2025. The submissions were reviewed by a committee of adjudicators, including members of the Tourism Vaughan Advisory Committee and City staff from Economic Development and Recreation Services.***

The program received submissions under the following categories:

- one Community Activation (not recommended for funding).
- four Major Festivals (all were recommended for funding with two being re-evaluated as Community Activations).
- two Sports Events (both were recommended for funding with one being re-evaluated as a Community Activation).
- three Tourism Partnerships (none were recommended for funding).

***On May 28, 2025, the Tourism Vaughan Corporation Board of Directors adopted the recommendations to fund six organizations for projects proposed under the Tourism Host in Vaughan Grant program in the amount of \$50,000 out of the total \$230,000 available in 2025, subject to the approval of the Tourism Vaughan Corporation's Voting Member, Vaughan City Council.***

The six organizations and associated projects recommended for funding support by the committee of adjudicators and the Tourism Vaughan Corporation Board of Directors are summarized in Attachment 2.

The disbursement of funds for any approved applicant is conditional on confirmation with each applicant of satisfactory proof of their special events permit status, insurance, venue confirmation, prior year financials, and status of good standing with the City of Vaughan.

This is in alignment with the Council-approved recommendation on March 22, 2022, that the Manager, [Economic Services] (or designate) or City Clerk be authorized to execute agreements, as required during the 2022-2026 time frame related to awarding grants and/or sponsorship funding to eligible individuals and organizations through programs funded by the Federal Government, Province of Ontario, Regional Municipality of York, or non-governmental organizations (NGOs), and administered by the City of Vaughan.

Approved recipients will receive an initial disbursement of 75 per cent of the approved funding amount which will be released to the recipient no earlier than 45 days prior to the start of the project. The remaining 25 per cent will be held back and will only be released upon receipt and successful acceptance of the final report.

***Based on the application details submitted by these six applicants, it is projected that these organizations will invest more than \$1.2 million in direct spending in the local economy with event supply companies, entertainment providers, and other vendors to execute their projects, representing an overall dollar value of investment leveraged ratio of 25:1 on the \$50,000 in contributions that the Host in Vaughan Grant program will invest; meaning, that for every \$1 of grant funding disbursed, the event organizers then invest \$25 in the local economy to deliver their project.***

It is anticipated that demand for funding support will only continue to increase and that the amount of funding requested from the Host in Vaughan grant will continue to exceed the available funding envelope.

During intake for the 2024 program year, applicants requested a total of \$335,367 out of the \$230,000 total available funding envelope. As the demand increases, the program will have to seek additional sources of funding to keep up with demand. This should also be taken as a reminder that current funding recommendations should not be seen to set a precedent for subsequent decisions in future years. Increasing demand will result in increasing competition which implies that organizations selected to receive funding in one intake period may not end up qualifying in the same way in a future intake period, especially if other applicants can demonstrate better alignment to the fund objectives.

### **Financial Impact**

There is no financial impact on the municipal tax base. Fund recommendations are allocated from the Council-approved 2025 Tourism Vaughan Action Plan and budget, which is fully funded through revenues collected under the Municipal Accommodation Tax.

### **Operational Impact**

***Grant recipient organizations are required to provide a final report that outlines their event's final budget and operations, including visitation. To improve operations and accountability, Tourism Vaughan will implement an enhanced visitation tracker in 2026.***

A key lesson from the first two years of operation is that enhanced visitation tracking would support participating organizations. Tourism Vaughan and Economic Development will collaborate with Procurement, Finance, Information and Technology, and Human Resources as needed to assist participating organizations in counting their visitors in 2026.

In addition, Tourism Vaughan staff will work with Legal to adjust the grant funding distribution percentages and link them to confirmed visitation numbers.

### **Broader Regional Impacts/Considerations**

Beyond delivering on the Council-approved Vaughan Destination Master Plan, the launch and continuation of the Host in Vaughan Grant program in 2025 align with best practices in other communities. Grant support programs for festivals, events, and projects offered by municipalities and tourism destination development and marketing organizations are available Provincially and in many neighbouring municipalities from Toronto, Mississauga, Brampton, Markham, York Region, and beyond.

Additional funding sources will need to be identified in future years to keep pace with the anticipated increase in demand for support and maintain competitiveness with neighbouring municipalities that currently allocate a greater amount of funds than the \$230,000 funding envelope in the Host in Vaughan Grant program.

## **Conclusion**

As the sole voting member of the Tourism Vaughan Corporation, Council is responsible for approving the Host in Vaughan grant recommendations, as discussed in this report. With approval of the recommendations in this report, Council will continue to support the growth of the local tourism industry.

Upon Council approval, City staff will contact applicants to inform them of the decisions. Approved applicants will be provided with standardized reporting requirements and be required to enter into a written agreement with the City of Vaughan.

In an effort towards continuous improvement of the program, between the 2025 and 2026 funding years, Staff will explore options for third-party verification of applicant-reported participation and attendance key performance indicators for projects funded by the Host in Vaughan Grant program. This will help ensure that organizations continue to adhere to the program objectives and that the post-event reporting provided by organizations maintain the principles of integrity and accountability.

A new funding cycle for the 2025 Fall-Winter period will open in August 2025.

**For more information**, please contact: Don De Los Santos, Senior Manager, Economic Services, ext. 8874.

## **Attachments**

1. Host in Vaughan Grant program guidelines, January 2025
2. Host in Vaughan Grant funding recommendations, May 28, 2025

## **Prepared by**

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