

Friday, January 25, 2019

Mayor and Members of Council
City of Vaughan
2141 Major Mackenzie Dr.
Vaughan, ON L6A 1T1

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Communication	
COUNCIL: <u>January 29, 2019</u>	
FAA Rpt. No. <u>1</u>	Item <u>3</u>

RE Municipal Accommodation TAX (MAT)

Dear Mayor and Members of Council,

On behalf of the Vaughan Chamber of Commerce, representing almost 900 businesses across the City of Vaughan including a majority of the hotels in Vaughan, we are writing to express support for the City of Vaughan's staff recommendations regarding the Municipal Accommodation Tax.

The Vaughan Chamber of Commerce held a roundtable with City staff and hoteliers across Vaughan where the consensus was in support of the overall objectives surrounding the implementation of the Municipal Accommodation Tax. The feedback was positive and focused on the opportunity to capitalize on the growth the City is currently experiencing. Hoteliers were of the opinion that the MAT can promote tourism in Vaughan through a new Destination Marketing Organization (DMO) funded through the MAT. With respect to the 50% allocation towards City services and infrastructure, we strongly urge Council to allocate the funding specifically towards areas that tie into tourism services.

However, it is critical that Short-Term Rental (STR) is included in the MAT as soon as possible. At a time when competitiveness is a primary concern to businesses in all sectors, the MAT will further exacerbate the gap between STR and hotels if it is only applied to one group. It creates a tax on hotels that is not applicable to STRs that are capitalizing on the sharing economy including but not limited to Airbnb's operations in the City.

We look forward to continuing the conversation with City staff surrounding the future of the MAT and the overall makeup of the DMO, which we would like to be part of.

Best Regards,



Brian Shifman
President and CEO
Vaughan Chamber of Commerce