



Municipality of the District of Argyle

Item: Core funding Request -  
YASTA

Date: April 6, 2025

### *Vision statement*

*Argyle is the community of choice to invest, live and play.*

### *Mission statement*

*Argyle invests time & talent in growth opportunities in fishing, tourism, and renewable energy sectors.*

*Argyle provides affordable taxation while providing safe and healthy communities and strives to engage and inform our residents on decisions that affect them most.*

*Argyle provides high class, accessible recreational and cultural facilities and helps celebrate its unique heritage and culture and welcomes new residents to our region.*

### **CAO's Recommendation:**

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That the YASTA special core funding request of \$21,000 be considered reimbursement for prior year activity.

Due to the provincial announcement of a province wide marketing levy, all existing marketing levies would have to be amended to reflect provincial regulations. While Argyle never had a marketing levy, both the Town and Municipality of Yarmouth had sufficiently sized accommodations that were qualified to charge a levy. This amount varied from year to year, and the funds were part of YASTA's ongoing operations and budget.

During the transition, YASTA did not collect this levy, and was forced to use prior year surplus to offset this loss. The request for additional core funding is, by all accounts, a 2024-2025 and prior year issue.

It is for this reason that CAO recommends that the \$21,000 be considered now as a cost of 2024-2025 if the will of Council is to support YASTA operations.

It should also be noted that all three municipal partners of YASTA are being asked to fund \$21,000.

### **Suggested motion:**

Should Council agree to fund:

Moved and seconded that the core funding request of \$21,000 (or other amount) be approved by Council and reflected in the 2024-2025 fiscal year.

Should Council disagree with the request, the proper motion would be to deny the special request.

### **MGA considerations:**

Contribution to a nonprofit society is authorized under section 65 (au) of the Act, as well, tourism is considered a municipal purpose, one that has been budgeted for years.

### **Financial considerations:**

The decision will cost MODA up to \$21,000 in a one-time contribution.

### **Background:**

YASTA's role is to market this location to attract more tourists staying and visiting our area. It is our only regional promoter of significance and has the funding and blessing of our provincial tourism association and often multiplies our funds with matching provincial support.

Based on financial review of their operations, they have used their accumulated surplus of prior years, and a one-time assistance core funding does seem necessary to finance continuing operations. The amount has been assessed by YASTA board and staff, to which we have delegated the effective operation of this organization. YASTA has provided additional background below.

Council will also be asked to consider first reading of Bylaw 42 – Short Term Accommodation Marketing Levy. Since the levy is to market our region, it seems only fair that all three regions have the same set of rules surrounding a marketing levy.

#### **Additional Context – from YASTA:**

In 2023, the province passed **Bill 204, an amendment to the Municipal Government Act (MGA) that gives** municipalities the authority to create **marketing levy bylaws** to support local tourism marketing.

While this was a positive step toward consistent and sustainable regional funding, **Bill 204 also rescinded all existing levies**, including the long-standing levy in the **Town of Yarmouth**, which has supported destination marketing since **2007**.

In addition to the legislative reset, the rollout of **Nova Scotia's new registration system for Short-Term Rentals (STRs)** has further delayed municipalities', including Argyle's, ability to finalize and implement new levy bylaws. These combined delays have created a temporary funding gap for YASTA, which had to draw from **prior-year surpluses** to maintain essential services during this transition.

### **Why This Matters to Argyle:**

Tourism is one of Argyle's identified growth sectors. According to **Tourism Nova Scotia**, the **Yarmouth & Acadian Shores region generates over \$100 million annually** in tourism revenue.

Since 2007, hotels in the Town of Yarmouth have collected funds according to the Town of Yarmouth Levy Bylaw. Additionally, the Wasoqopa'q First Nation (formerly Acadia First Nation) has voluntarily collected levy funds from guests staying at the TRU by Hilton - Yarmouth since 2021, alongside municipal contributions from the Town of Yarmouth, The Municipality of the District of Yarmouth and the Municipality of the District of Argyle to:

- Promote and market **Yarmouth & Acadian Shores**
- **Bid and host** national, provincial, and local events
- Provide **training, tools, and advocacy** to local tourism operators

YASTA is the region's **destination marketing organization (DMO)**. YASTA is a partnership between the Municipality of the District of Argyle, the Municipality of the District of Yarmouth, the Town of Yarmouth, and Wasoqopa'q First Nation. YASTA's work supports all communities, including Argyle. This temporary request ensures Argyle remains a strong partner in this shared effort.

This request is a **temporary measure** tied to a province-led transition. If Argyle decides to implement its own marketing levy bylaw—funded by visitors, not accommodations or taxpayers—YASTA will have a more **stable and equitable** regional funding model.

Approving this request supports local tourism businesses, strengthens regional collaboration, and affirms Argyle's commitment to long-term economic development through tourism.

Please refer to YASTA's attached correspondence for further background.