Community Tourism Destination Development Fund

Funding Guidelines

As of June 2026

Contents

Purpose of the fund

Destination development refers to the strategic expansion of amenities, facilities and services that enhance visitor experiences while meaningfully contributing to the Yukon's **economy**.

The purpose of the Community Tourism Destination Development Fund (CTDD) is to support community projects across the Yukon that focus on sustainable destination development. The fund is aimed at businesses, First Nations governments, First Nations development entities, municipalities and not-for-profit organizations for projects that will improve tourism-related services and infrastructure such as accommodations, attractions, activities and amenities. Special consideration will be given to umbrella projects where local entities are working together to enhance or create tourism opportunities in their community or region.

This fund builds on efforts to support the tourism sector and supports the three goals of the Yukon Tourism Development Strategy:

- To have a thriving tourism economy;
- To foster sustainable tourism development that ensures a balance between economic, social and environmental values; and
- To ensure resident support for tourism.

Objectives

The objectives of the fund are to:

- Strengthen tourism capacity in communities across the Yukon
- Grow tourism business revenues;
- Build capacity in the Yukon to provide outstanding visitor experiences; and
- Build and bolster healthy communities.

Anticipated outcomes

Anticipated short-term outcomes include:

- Increased visitation and spending in the Yukon;
- Increased private sector investment in new or enhanced visitor experiences and services in the Yukon;
- Creation of tourism-related jobs; and
- Contribution to the Yukon's economy.

Anticipated long-term outcomes include:

- Increased competitiveness of the Yukon's visitor experiences and services;
- Organizational and leadership capacity building in the tourism sector;
- Legacy opportunities, including enhancement of existing infrastructure or new construction (e.g., visitor facilities and attractions);
- Enhanced and increased exposure of the Yukon and communities;
- Sustainable jobs and economic activity in communities across the territory; and
- Enhanced quality and diversity of community life for Yukon citizens.

Prioritization

Priority will be given to projects that demonstrate:

- Relative community impact (e.g., a small hotel in a community with limited accommodations would likely have a greater impact than a small hotel in a community with multiple accommodation options);
- Immediate readiness/ability to begin contributing to destination development;
- Long-term sustainable benefits; and/or
- Innovative approaches to partnership and community building (e.g. umbrella projects where multiple organizations in one community apply for funding and demonstrate a collaborative approach to destination development).

The fund is aimed at supporting destination development where the greatest need exists. As such, we anticipate more rural community projects supported under the fund, but this does not rule out applications for projects in Whitehorse.

Who is eligible to receive funding?

1. Yukon-based businesses:
    a. That meet three of the following conditions:
        i. Has an office with a physical address in the Yukon;
        ii. Is subject to the *Yukon Income Tax Act*;
        iii. Is registered under the *Business Corporations Act* and the *Partnership and Business Name Act*, where applicable; <u>or</u>
        iv. Has a valid municipal business license, where applicable.
    b. And can demonstrate that they are:
        i. Contributing to destination development; <u>and</u>
        ii. Currently engaged in serving or supporting the visitor economy (accommodation, food and beverage services, recreation and entertainment, transportation and travel services); <u>or</u>
        iii. Developing experiences or services that will serve or support the visitor economy (accommodation, food and beverage services, recreation and entertainment, transportation and travel services).
2. Yukon First Nations governments;
3. Yukon First Nations development entities (whether structured as a corporation, partnership, joint venture or a trust);
4. Yukon municipal governments; and
5. Yukon community societies or associations that:
    a. Are registered under the *Yukon Societies Act* and are in good standing;
    b. Are based in one or more Yukon communities; and
    c. Represent clear interests in seeking to support destination development and the visitor economy.
6. Yukon-based not-for-profit corporations incorporated under the *Canada Not-for-profit Corporations Act*.

Further, businesses and organizations, where applicable, must be in good standing with Yukon Corporate Affairs.

Third parties cannot apply on behalf of fund applicants.

If you are interested in applying to the fund, please contact our team to discuss your project and application. We can provide guidance and support.

Email: destinationmanagement@yukon.ca

How much funding can I apply for?

The fund is based on two funding tiers:

Funding Tiers	Tier 1	Tier 2
Funding level	Projects with budgets up to $100,000	Projects with budgets between $100,001 and $500,000
Funding allocations	• Up to 50% of eligible expenditures for Capital Projects[1] • Up to 75% of eligible expenditures for Non-Capital Projects[2]	
Maximum funding amount	$75,000	$375,000

The fund is competitive, and it is likely that the requests for funding may exceed available funds.

Is my project or activity eligible for funding?

Eligible projects and activities

- Umbrella projects that bring together multiple applicants from within a community or region to create collective impact and enhance the destination, rather than supporting only an individual business;
- Projects that facilitate destination development;
- Capital projects, including those in the implementation stage, to:
    - Bring a visitor experience or service to market readiness;
    - Increase an organization's ability to provide visitor experiences or services; or
    - Increase the visitor experiences and/or services within a community or region.
- Leasehold improvements to:
    - Bring a visitor-dependant business to market readiness; or
    - Increase the visitor experiences or services offered.

[1] Capital projects – projects involving property of any kind that is expected to generate value over a long period of time; provides long-term financial benefit to the business; and isn't sold to customers.
[2] Non-Capital projects –projects with costs that have a lifetime only spanning the project duration and that are not used as an asset after the project end date.

Note: Applicants may be asked for their lease agreement.

Examples of eligible projects and activities include:

- Upgrading and expanding existing tourist attractions and businesses;
- Small-scale hotels (20 rooms or less);
- Tourism accommodation expansion and development, including vacation property rentals;
- Employee housing for tourism employees;
- Trails and interpretive projects;
- Expanding tourist attractions offered at First Nations cultural centres;
- Heritage and historic site development for visitation;
- Recreation facilities, if the project contributes to the visitor economy as well as the community;
- Conference and events centres, if the project contributes to the visitor economy as well as the community;
- Road construction, if the road is directly connected to the project, is necessary to achieve the deliverables and is not the responsibility of any level of government;
- Public washroom facilities, if the project contributes to the visitor economy as well as the community and is not on public land; and
- Campground development, upgrades or expansions, if the project contributes to the visitor economy as well as the community and is not on public land.

What kind of expenditures will the fund cover?

Project expenses

- Construction costs related to the development or expansion of infrastructure to:
    - Bring a visitor experience or service to market readiness; or
    - Increase an organization’s ability to provide visitor experiences or services.
- Incremental costs for employees and for operations and maintenance may be eligible if:
    - The proponent can demonstrate that it is not economically feasible to complete the project without the additional employee(s) or employee hours and is necessary to achieve the deliverables;
    - The costs are directly related to the provision of a mentoring or internship opportunity, such as providing food or accommodations related to interns or volunteers; and
    - The arrangement is approved in advance and in writing by the Department of Economic Development, Tourism and Culture.
- Costs associated with securing an environmental assessment and permits.

Capital expenses

- New construction costs related to the establishment or expansion of tourism-focused experiences or services provided by the organization.
- Leasehold improvements where the lessor is arm's length from the applicant and/or the project;
- Equipment purchases or lease; and
- Product development to improve competitiveness and meet tourism demand.

Capital projects must have a clear deliverable upon completion.

The fund is not intended to support capital projects to deliver experiences or services in a community that is already sufficiently supplied with those products or services by an established business.

Ineligible expenses and activities

- Purchase of land;
- Attending conferences;
- The production of events and festivals;
- Financial subsidies;
- Regular facility upgrades, maintenance and regulatory compliance;
- Mortgage payments;
- Planning (e.g. business plans, market research, marketing plans, etc.);
- Capital expenditures for equipment that is readily movable and suitable for personal use such as computers, power tools, musical instruments, etc. unless it is deemed integral to the success of the project;
- Costs incurred for cancelled projects;
- Expenditures made prior to the project's Transfer Payment Agreement start date except for approved previous expenditures within the last three years that are related to the project;
- Financing charges, legal fees, and loan interest payments, including those related to easements (e.g. surveys);
- Leasing equipment other than equipment directly related to the project;
- Lease payments on land, buildings and other facilities;
- Operation and maintenance costs unless it is deemed integral to the success of the project;
- Projects that fall under the normal responsibility of a Government of Yukon department, municipal authority, or First Nations or federal government;
- Provincial/Territorial sales tax, goods and services tax or harmonized sales tax; or

- Real estate fees and related costs.

Note: Expenses that are eligible for the Tourism Cooperative Marketing Fund are not eligible for the Community Tourism Destination Development Fund.

What are the application deadlines and processing times?

Funding Tiers	Tier 2	Tier 1
Application deadline	4:30 p.m. YST, Nov 15	4:30 p.m. YST, Dec 15
	If this falls on a weekend or holiday, the deadline moves to 4:30 p.m. on the next business day.	
Processing times for evaluating applications	45 business days	30 business days

Please refer to pages 12 – 14 for complete processing times.

If I am a successful applicant, what do I need to know about the funding agreement and project reporting?

All applications will be assessed by an evaluation team for compliance with the eligibility requirements. Approved applications will necessitate completion of pre-approval documentation[3], a Transfer Payment Agreement, reporting and monitoring.

Conflict of Interest

The *Conflict of Interest* clause of the Transfer Payment Agreement and the Government of Yukon *Conflict of Interest Policy* are considered during the assessment and

[3] Pre-approval documentation requirements may vary depending on the nature and scope of each project. Applicants must be prepared to submit supporting materials, which may include, but are not limited to, permits, feasibility studies, architectural or building plans, and a detailed project budget. Final approval shall be conditional upon the applicant's fulfillment of all requirements identified during the assessment process, as determined at the sole discretion of the Department of Economic Development, Tourism and Culture.

administration of the funding process. Funding under an agreement may be denied (in whole or in part) if there is a perceived or actual conflict of interest.

Transfer Payment Agreement (TPA)

The Transfer Payment Agreement between the applicant and the Government of Yukon will be negotiated to a level that demonstrates a reasonable sharing of financial risk. The schedule for payment is in accordance with the Government of Yukon's Transfer Payment Policy and as outlined in the Financial Administration Manual.

The level of contribution will be determined by the following factors:

- Project impact using an assessment matrix which utilizes the fund's objectives, anticipated outcomes and priorities;
- Level of broad benefit to the Yukon using the assessment matrix;
- Project risk; and
- Applicant's need based on the amount of funding requested and access to other sources of funding (both own and third-party).

Important information about TPAs:

- TPAs have a start date of April 1, and the end dates are dependent on the project's completion date. Projects can last up to two years.
- Only one TPA is eligible per funding recipient at a time.
- Expenditures must occur within the dates outlined on the TPA dates except for <u>approved</u> previous expenditures within the last three years.
    - Approved previous investments may constitute the applicant's contribution toward the project. Expenses to be covered by the Community Tourism Destination Development funding must take place within the start and end dates outlined in the TPA.

Reporting

Reporting templates will be provided to recipients, and reporting schedules will be outlined in the TPA. Reporting is mandatory and is to be completed quarterly through the online SurveyMonkey Apply portal.

A final report will be required to demonstrate that the anticipated outcomes of the project as defined in the original application have been achieved and that funds have been expended in accordance with the approved project budget. Where applicable, site visits from our team may occur.

If you fail to report as outlined in the TPA and reporting schedule, your TPA may be terminated, and you will be required to return some or all funding to Government of Yukon.

You must retain proof of payment for expenses related to the project for two years following the project's completion and provide them to a Program Officer if requested. Arbitrary audits may be conducted, and you must be able to supply the information requested should your project be audited.

How does the fund work from start to finish?

1. You apply

You apply online at Yukon.ca. We encourage you to work with an Advisor on your application. We want to answer your questions and help you with the application process. You will be notified when your application is received; however, you may be contacted to provide more information or to clarify elements of your application.

Tier 1 intake period: August 1 – December 15

Tier 2 intake period: August 1 – November 15

Can I edit or add to my application after I submit it?

No. Please ensure your application is accurate and complete when you submit it.

My project started a number of years ago. Can my investment count towards my equity in the project?

In the case of projects that have been initiated prior to approval for this fund, the recipient's costs incurred over the previous three years of the project may be considered towards the recipient's contribution to the project budget with receipts as proof and prior approval.

Can I access multiple funding sources for my project?

Yes, stacked funding is permitted, which means applicants can use multiple funding sources for their project. However, total government (federal, territorial, provincial and municipal) funding in the form of grants shall not exceed 75% of the total project cost.

All funding sources must be disclosed in your funding application and throughout the project.

Can I claim in-kind contributions as part of my equity or investment in the project?

In-kind contributions include donated labour, services or goods from the recipient or a third-party supplier that can reasonably be attributed to the project. In-kind contributions can make up 10% of the total project budget. These labour, services or goods will be assessed at fair market value, and the supplier must provide an invoice to the recipient to account for and identify the in-kind contribution. In-kind contributions can not constitute previous investments.

2. We evaluate all the applications

We will review all the applications and evaluate them based on our Assessment Matrix. Projects, activities and contribution amounts are approved on a case-by-case basis. You may not be approved for the full amount you requested.

Tier 1 initial evaluation times: 30 business days
Tier 2 initial evaluation times: 45 business days
You will be notified whether your application is approved, declined or waitlisted.

Who makes decisions about my application?

If an application is eligible for funding, it is assessed by an evaluation team. This team will make decisions based on the funding guidelines and the Assessment Matrix.

3. You provide us with additional information if you are pre-approved

If your application is pre-approved, you will be asked to provide additional information before we enter into a Transfer Payment Agreement. Additional information will consist of the following:

- Project considerations (ie. What challenges could come up in executing the project and what are the mitigation strategies you could put in place to manage them?);
- Short- and long-term success outcomes;
- All required quotes and documents;
- Previous investment receipts (if applicable);
- Completed Project Planning Document (PPD)

Tier 1: 15 business days to complete and submit additional information

Tier 2: 30 business days to complete and submit additional information

Please note that processing times are based on our team receiving additional information that is complete and sufficient. Processing times may be delayed if back-and-forth between the recipient and Program Officer is necessary at this stage.

4. We both enter into a Transfer Payment Agreement

If your application is approved, a TPA will be created and forwarded to you for signature. The TPA will outline the terms and conditions for funding and include a Schedules outlining the deliverables, reporting, budget and terms of payment specific to the project or activity.

You will be contacted when your TPA is ready for signing. To ensure your TPA is processed efficiently, it must be signed and returned within 14 business days. Failure to return signed documents within 14 business days will result in the TPA being terminated.

Please review your TPA and Schedules to ensure you are familiar with the required documentation, reporting and timelines.

5. We issue your initial payment

Payment details are based on the cash flow statement you provide and will be outlined in *Schedule C* of your TPA. Your initial payment will be based on your cash flow requirements.

6. You work on your project and report quarterly

Once the TPA is signed, you can begin your project. Our goal is to issue your initial payment as soon as possible so that you have the funds to begin your work.

What should I do if my project or activity changes after I sign the TPA?

Contact the Program Officer as soon as you can if you need to make a change to your TPA. All amendments must be requested by email to the Program Officer for assessment and approval. If your proposed changes are approved, a formal amendment agreement will be created and forwarded to you for signature.

What should I do if I cannot complete my project or activity?

Contact the Program Officer as soon as you can if you are unable to complete your project. If some project objectives have been met, you may be eligible for partial funding. If you have already received payment for activities, you are unable to complete, you will be required to reimburse the Government of Yukon for expenses not incurred.

7. You complete the project

Your reporting requirements and schedule are outlined in your TPA and Schedules. Throughout the duration of your project, Advisors and Program Officers may conduct site inspections. You will also be contacted by an Advisor 12-24 months after your project is completed to report on Return on Investment in dollar value. Keep receipts, invoices, etc. for your project even after it has closed.

If travel is part of my project, will it be eligible?

Generally, **travel costs are not eligible expenses for reimbursement** with this fund. However, if travel is an essential part of your project, please contact us to discuss your specific needs. In some cases, exemptions may be considered.

I need to ship construction/project materials. Will these expenses be eligible?

Yes, freight within Canada is eligible.

Aside from reporting requirements, what other expectations should I be aware of?

Funding recipients, upon project completion, are expected to maintain and operate their project for a minimum of two years.

As stated in all TPA's, failure to submit reporting on or before the deadline entitles the Department of Tourism and Culture to terminate your TPA . If the TPA is terminated, you will be required to reimburse the Government of Yukon for advanced funding you may have received.

Assessment Matrix

The following weighted assessment table will be used to rank projects. All eligible applications will be assessed against this matrix.

	Scoring Criteria	Weighting
1	**Relative Community Impact** Evidence of the project's relative marginal impact in advancing destination development in the community where the project is located, without creating new competition in markets within the community that are sufficiently supplied by established business.	20%
2	**Immediate Benefits** Evidence that the project is ready to advance and will have immediate community benefits including tourism investment attraction, increased employment and business revenues in the tourism sector, and improved organizational capacity.	20%
3	**Sustainable Long-term Benefits** Looking for evidence that the long-term benefits of the project align with the Community Tourism Destination Development, including long-term impact on tourism development, increased exposure for the community and the territory, growth and diversification of tourism sector, and reduced climate and environmental impacts. Long-term benefits should be consistent with the Yukon Tourism Development Strategy.	20%
4	**Innovative Approach to Partnership and Community Building** Evidence of innovation in building partnerships and collaborating in project conception, design and execution. Umbrella capital projects developed in partnership that create synergies for greater community impact will be prioritized.	20%
5	**Organizational Capacity** Looking for evidence that the applicant organization possesses the experience, human resource and financial capacity to undertake and complete the tourism project for which it has applied. Will take into consideration previous relationship with the Government of Yukon, the makeup of the project team, partners and the governance structure, and other information as necessary to assess capacity.	10%
6	**Measuring Success:** Looking for an appropriate evaluation mechanism. If the project is seeking a range of benefits, how will realization of those benefits to the tourism sector be measured and how will the applicant report success?	10%