

**Subject:** FW: Email - Request to Speak - Steph Clovechok - Request for Business Event Allocation from Civic Hospitality Fund - CK 1704-1

**From:** Web NoReply <[web-noreply@Saskatoon.ca](mailto:web-noreply@Saskatoon.ca)>

**Sent:** June 01, 2021 9:28 AM

**To:** City Council <[City.Council@Saskatoon.ca](mailto:City.Council@Saskatoon.ca)>

**Subject:** Email - Request to Speak - Steph Clovechok - Request for Business Event Allocation from Civic Hospitality Fund - CK 1704-1

--- Replies to this email will go to [REDACTED] ---

Submitted on Tuesday, June 1, 2021 - 09:28

Submitted by user: Anonymous

Submitted values are:

Date Tuesday, June 01, 2021

To His Worship the Mayor and Members of City Council

First Name Steph

Last Name Clovechok

Phone Number [REDACTED]

Email [REDACTED]

Address [REDACTED] 4th Ave North

City Saskatoon

Province Saskatchewan

Postal Code S7J [REDACTED]

Name of the organization or agency you are representing (if applicable) Tourism Saskatoon

Subject Request to Speak re: Civic Hospitality Fund

Meeting (if known) Standing Policy Committee on Finance

Comments

I am requesting to speak to Committee re: the attached document.

[REDACTED]

[REDACTED]

[REDACTED]

May 31, 2021

To: Standing Policy Committee on Finance – June 14<sup>th</sup>, 2021  
From: Stephanie Clovechok  
Re: Request for Business Event Allocation from Civic Hospitality Fund

Tourism Saskatoon continues to experience a 90% decrease in revenues through our Destination Marketing Program. It is estimated that this primary source of revenue will not stabilize to pre-pandemic levels until 2025. Our destination's visitor economy is heavily reliant on business events to drive volumes of travellers into our city and partner hotels. The nature of acquiring business events requires a lengthy BID process that includes the confirmation of financial resources to each client. We do not have the financial resources to secure business events that are necessary to drive recovery for Saskatoon's facilities, hotels, and hospitality businesses.

In investigating potential opportunities that support Tourism Saskatoon's current financial resources to secure more business events for Saskatoon, I approached City Administration to investigate what might have happened with the funding with the funding from the Civic Hospitality Fund at year end in 2020 when no events were able to be hosted in Saskatoon. And for the information of Committee, this is a fund that Tourism Saskatoon has been the lead on making recommendations for allocations since 2006. The current City Council Policy was developed between the Mayor's Office and Tourism Saskatoon in 2006 guiding the process for considering the allocations of the funding. It is attached for reference.

Prior to 2006, all applications for civic hospitality funding were approved only by the Mayor's Office.

**Some specifics about the fund that City Administration has recently provided, is as follows:**

- Applications for funding are submitted to Tourism Saskatoon where they are evaluated, and those events recommended for approval are submitted to the Mayor's Office, to authorize payment.
- There are currently three levels of funding available for events (\$1,000, \$2,500 or \$5,000), and the funds are specifically to be used to cover costs related to a meal or transportation.
- Recommended levels of funding are determined by criteria such as number of delegates attending and frequency of event
- The Annual Operating budget for this fund is \$48,000, and the Policy specifies that any residual from this annual allocation if it is unspent at the end of the year, it is transferred to the Civic Hospitality Fund Reserve to be used in the future for similar purposes. And in years where there is a substantial number of requests for support from events, any amount allocated over the \$48,000 would draw from the Civic Hospitality Fund reserve. Over the past 13 to 14 years the reserve has continued to grow a bit each year.
- In 2020 the amount of sponsorship provided was \$8,000 as most events were cancelled, which means \$40,000 was transferred to the reserve.

- The Finance Department has confirmed that as of December 31, 2020, the reserve fund has a current balance of \$255,000, and in the 2021 Operating Budget there was again the \$48,000 approved for this grant for allocation.

Given the current reserve for this Civic Hospitality fund has a healthy balance, I am requesting that \$200,000 from the reserve created by the Civic Hospitality Fund be allocated to Tourism Saskatoon as a one-time payment to enable the acquisition of business events for future years. This would leave a balance of \$55,000 in the reserve for future years. Further to this, as noted earlier there is still the annual Operating allocation of \$48,000 for 2021 that will provide support in this calendar year to events of all sizes while enabling Tourism Saskatoon to stay relevant, competitive, and sustainable in the national and international market.

The age of COVID-19 has heightened the level of competition amongst Canadian destinations who are all working to secure the same new business events while rebooking those who have cancelled due to COVID. Many of these destinations have significantly larger, more stable and unimpacted budgets. Tourism Saskatoon is working closely with our facility and hotel partners to ensure all cancelled business events are being rebooked in Saskatoon for future years. This too is being made more challenging with an increase in fees charged by third party planners and association clients who require placement fees from Tourism Saskatoon and, room rebates from our struggling destination marketing hotel partners.

The Civic Hospitality Fund has been successful in providing financial resources for business events in Saskatoon for many years, through an application process that would remain intact outside of this one-time payment.

Tourism Saskatoon will be accountable to The City with KPI's reflective of the successful acquisition of business events, their anticipated economic impact and room nights associated with each event.

Thank you for your consideration.

Sincerely,

A solid black rectangular box used to redact the signature of Stephanie Clovechok.

Stephanie Clovechok  
CEO

# CITY OF SASKATOON COUNCIL POLICY

NUMBER

*C01-005*

<b>POLICY TITLE</b> <i>Civic Hospitality to Conventions</i>	<b>ADOPTED BY:</b> <i>City Council</i>	<b>EFFECTIVE DATE</b> <i>July 10, 1978</i>
		<b>UPDATED TO</b> <i>April 24, 2006</i>
<b>ORIGIN/AUTHORITY</b> <i>Legislation and Finance Committee Report No. 21-1978;          Executive Committee Report No. 4-2006 and Budget          Committee Report No. 1-2006</i>	<b>CITY FILE NO.</b> <i>CK. 1870-1</i>	<b>PAGE NUMBER</b> <i>1 of 5</i>

1. PURPOSE

- To attract conventions to Saskatoon that will provide an economic benefit from outside the city and province;
- To attract conventions to Saskatoon for the benefit of publicity, future opportunities, and to enhance our city's image;
- To enhance Saskatoon's profile as a true convention destination;
- To develop a hospitality program that assists conventions within a structured framework that is fair to all levels of applicants; and
- To facilitate, enhance and showcase Saskatoon and its hospitality.

2. DEFINITIONS

2.1 Conventions Saskatoon! – Conventions Saskatoon! is a working committee of Tourism Saskatoon made up of convention industry partners that invest in, plan and execute strategic initiatives designed to bring targeted convention business to Saskatoon.

3. POLICY

3.1 The City may sponsor or participate in the sponsoring of civic hospitality to:

- a) National or International conventions held in Saskatoon;
- b) Other conventions under special circumstances to promote the interests of the City.

3.2 The City may enter into arrangements for sponsorship of convention hospitality with other registered organizations on a cost-sharing basis provided:

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- a) The City's share of the costs falls within the amount budgeted by the City and the costs are deemed reasonable by the Mayor.
- b) The City does not assume any obligations financial or otherwise except to provide its agreed upon share of the cost of hospitality.

3.3 Guidelines- All applications and requests to the Civic Hospitality Fund will go to Convention Saskatoon! where they will be processed applying the criteria in this policy. Applications will be accepted based on the following guidelines:

- a) Civic Hospitality Fund applications will be accepted for future years conventions by November 1<sup>st</sup> of each year (convention must be a minimum of 14 months out). They will be adjudicated and processed by February 1<sup>st</sup> of the following year.
- b) Applications will be accepted up to a maximum of five years from their actual date.
- c) A small discretionary amount will be set aside each year for conventions applying to the fund under special circumstances (i.e. late applications).
- d) Applications are for conventions to be held in Saskatoon only.
- e) Civic Hospitality contributions are based on the evaluation of the application by Conventions Saskatoon! and vary according to the criteria in this policy to a maximum of \$5,000.00 to any one organization.
- f) When special circumstances occur, a convention or registered organization has the right to directly apply to City Council for funding; however, in doing so, they forfeit access to the Civic Hospitality Fund.
- g) Grandfather clause may apply to specific conferences that have traditionally received funding support under the previous policy.

3.4 Civic Hospitality Fund – City Council shall annually provide a sum for the Civic Hospitality Fund from its operating budget, based on the recommendations from Conventions Saskatoon!

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3.5 Civic Hospitality Reserve – City Council shall establish a Civic Hospitality Reserve in order to allow funding over a five-year rolling basis, and that unused balanced in current years be rolled over to the next year;

a) Source of Funds

The provision shall be a yearly balancing item which will equal any positive amount arising from that year's operating expenditures for the Civic Hospitality Fund.

b) Application of Funds

The Reserve may be used to finance any balancing requirements arising when current budgeted or current operating expenditures are exceeded for the Civic Hospitality Fund.

3.6 Process – The following process has been established for applications for funding under this policy:

- a) All requests are to be directed to Conventions Saskatoon! for processing.
- b) All applications will be evaluated by Conventions Saskatoon!'s Executive Committee based on the principles and criteria outlined in this policy.
- c) Conventions Saskatoon! will notify the Mayor's Office of the results of the evaluation, recommending approval or denial of the application. If approved, the dollar amount will be recommended to the Mayor's Office.
- d) On approved applications, the Mayor's Office will issue an official letter confirming the dollar amount to be awarded. On non-approved applications, Conventions Saskatoon! will advise the applicant. Challenges are to be brought forward to Conventions Saskatoon! in writing.

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3.7 Criteria Requirements for Processing Applications – Conventions Saskatoon! will evaluate the applications based on the following criteria requirements:

- a) Check List
  - National or International Conference;
  - Registered with Tourism Saskatoon;
  - Not applying to the City of Saskatoon for other funds (cash or in-kind);
  - Application received by November 1<sup>st</sup> deadline for conventions occurring 14+ months out;
  - Conference is no more than five years out;
  - 3 years of conference history has been provided;
  - Must commit to filling out follow up survey, or funding will not be processed.
  
- b) Funding Level Evaluation Model
  1. Annual/one time
  2. Level of Conference
    - a) National (30% outside Western Canada)
    - b) International (20% outside Canada)
  3. Falls within Conventions Saskatoon! target markets
  4. Number of Delegates x Number of convention days
  5. Number of Companions
  6. Confirmed vs. Unconfirmed for Saskatoon
  7. Identification of what the funds will be used to offset the costs for
  
- c) Bonus Considerations
  - Viable Economic Impact Study of conference has been provided
  - Time of Year
  - Special Circumstances

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## 4. RESPONSIBILITIES

- 4.1 Conventions! Saskatoon – Conventions Saskatoon! will be responsible for administering this policy and for reviewing the fund and policy periodically with recommendations to the Mayor’s Office and City Council.
- 4.2 Mayor’s Office - The Mayor’s Office will be responsible for approving or denying the applications for funding under this policy, based on the recommendations from Conventions Saskatoon!, and for forwarding recommendations to City Council on any updates to this policy.
- 4.3 City Council- City Council shall be responsible for approving any updates to this policy and for approving an annual sum for the Civic Hospitality Fund.