



MEMO

TO: Mike Voth, Director of Corporate Revenue
City of Saskatoon

FROM: Cam Broten, Chair
SREDA Board of Directors

RE: Drake Meats Business Development Tax Incentive Application Review

DATE: March 6, 2024

The Saskatoon Regional Economic Development Authority's Board of Directors reviewed the tax incentive application from Drake Meats and has determined that it meets the eligibility requirements of the City of Saskatoon Business Development Incentives Policy, C09-014.

Drake Meats was originally established in Drake, Saskatchewan as a community meat locker. When local farmer, Norm Ediger took ownership in 1958, he realized the full potential of the company and expanded into meat production using traditional family recipes. Drake Meats has been family-owned and operated for over 70 years, with a diverse customer base of major grocery chains and food service companies.

In order to fulfill sales expansion opportunities in Canada, U.S., and other export markets, Drake Meats is planning to build a CFIA meat plant in Saskatoon. The new plant will allow Drake Meats to increase revenues and operating profits, while creating over 200 new jobs by year 5. Plant construction is targeted to start in early 2024, and is expected to be fully functional by Q2 of 2025.

Overall, Drake Meat's expansion will result in a new 53,000 sq/ft building in Saskatoon's North End at Lipsett Crescent and 71st Street. Drake Meats plans to invest \$45.6M into the project and create 123 FTEs in year one, 162 by year 3, and 205 by year 5.

SREDA's Board of Directors approved the following resolution on February 27, 2024:

Recommendations

THAT the SREDA Board of Directors recommend Drake Meats' Business Development Incentive application for approval at City Council.

The Board's recommendations are forwarded to City Council for consideration and approval. A summary of the tax abatement application is attached for reference, along with the Eligibility Criteria Checklist.

A handwritten signature in blue ink, appearing to read 'Cam Broten', is written over a light blue horizontal line.

Cam Broten
Chair, Board of Directors
SREDA