

**Janzen, Heather**

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**From:** City Council  
**Subject:** FW: Email - Request to Speak - Stephanie Clovechok - Discover Saskatoon - Downtown Event and Entertainment District Funding Strategy Assumptions and Overview - CK 4130-14  
**Attachments:** Discover Saskatoon Letter\_DEED Funding Model.pdf

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**From:** Web NoReply <web-noreply@Saskatoon.ca>  
**Sent:** Monday, August 26, 2024 4:50 PM  
**To:** City Council <City.Council@Saskatoon.ca>  
**Subject:** Email - Request to Speak - Stephanie Clovechok - Discover Saskatoon - Downtown Event and Entertainment District Funding Strategy Assumptions and Overview - CK 4130-14

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

Submitted on Monday, August 26, 2024 - 16:44

Submitted by user: [REDACTED]

Submitted values are:

**I have read and understand the above statements.:** Yes

**I do not want my comments placed on a public agenda. They will be shared with members of Council through their online repository.:** No

**I only want my comments shared with the Mayor or my Ward Councillor.:** No

**Date:** Monday, August 26, 2024

**To:** His Worship the Mayor and Members of City Council

**Pronouns:** She/her/hers

**First Name:** Stephanie

**Last Name:** Clovechok

**Phonetic spelling of first and/or last name:** [REDACTED]

**Phone Number :** [REDACTED]

**Email:** [REDACTED]

**I live outside of Saskatoon:** No

**Saskatoon Address and Ward:**  
**Address:** 100-145 1st Ave North  
**Ward:** Ward 6

**Name of the organization or agency you are representing (if applicable):** Discover Saskatoon

**What do you wish to do ?:** Request to Speak

**If speaking will you be attending in person or remotely:** In person

**What meeting do you wish to speak/submit comments ? (if known)::** City Council - Regular Business August 28th

**What agenda item do you wish to comment on ?:** Downtown Event and Entertainment District Funding Strategy Assumptions and Overview

**Comments:**

I am submitting a letter and a request to speak. I would like to please present a deck as well.

**Attachments:**

- [Discover Saskatoon Letter DEED Funding Model.pdf](#)455.13 KB

**Will you be submitting a video to be vetted prior to council meeting?:** No

August 26, 2024

Saskatoon City Council  
City of Saskatoon  
222 3rd Avenue North  
Saskatoon, SK S7K 0J5

### **Sustaining Momentum for the DEED Project: Balancing Progress with a Fair Funding Model**

Dear Mayor Clark and Saskatoon City Council,

I am writing on behalf of Discover Saskatoon to express our strong support for the Downtown Event and Entertainment District (DEED) project. This initiative is crucial for the growth and vibrancy of Saskatoon's downtown core. To ensure a world-class visitor experience, our infrastructure must match the global invitations we extend. The DEED project will help address existing challenges and create new opportunities for our City.

Discover Saskatoon plays an important role in generating demand. Our work begins with encouraging visits, which drives a positive cycle: a place people want to visit becomes a place people want to live, work, and invest. This process keeps our community thriving and vibrant.

We are concerned that the proposed funding model may compromise our ability to keep this momentum going. As Saskatoon's official Destination Marketing Organization (DMO), it is critical to highlight the potential impacts the proposed funding model could have on our City's ability to promote itself as a premier destination.

#### **The Purpose of an Accommodation Tax**

The Administration Report—Downtown Event and Entertainment District Funding Strategy appears to lack a thorough discussion of the intended purpose of an accommodation tax. Across North America and throughout Canada, the primary role of an accommodation tax is to support tourism marketing, programs, and initiatives rather than infrastructure development.

If Saskatoon implements an accommodation tax mainly to finance the DEED, it will represent a significant departure from established best practices in Canada. No other municipality in the country uses an accommodation tax predominantly for infrastructure.

#### **Impact on Saskatoon's Visitor Economy**

If current DMF revenues, which currently support Discover Saskatoon, are redirected to fund the DEED as an accommodations tax, this would significantly impact our ability to market, manage, and develop Saskatoon effectively. This shift could undermine our efforts to attract visitors and grow the City's tourism sector in the long term. Balancing infrastructure development with robust destination marketing is essential to ensure sustainable tourism growth.

### **Economic Contribution of the Tourism Sector**

Our partner hotels have made substantial financial contributions to promoting Saskatoon as a destination. Over the past decade, from 2013 to 2023, Saskatoon Destination Marketing Hotels have invested \$38,183,885 in direct funding for tourism development and marketing initiatives through SDMH's partnered work with Discover Saskatoon. It is unfair to place the primary financial burden for the DEED on the accommodation sector, given that all community sectors benefit from increased tourism.

### **Competitive Disadvantages for Saskatoon**

Introducing a high accommodation tax could disadvantage Saskatoon when competing for major conferences and events. The proposed tax rate of 5.9% would be the highest in Canada, exceeding rates in major destinations such as Toronto, Vancouver, Victoria, and Halifax. This could deter event organizers and visitors, resulting in lost opportunities and reduced economic impact. Saskatoon has lost 130 bids due to price sensitivity, and further tax increases could worsen this trend.

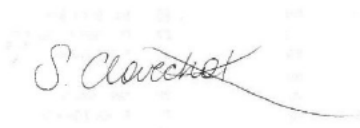
### **Ensuring the Success of Discover Saskatoon**

While we understand the challenges of funding the DEED project, it is crucial to ensure that Saskatoon's tourism promotion and marketing efforts are maintained. The term "whole" must mean no changes or risks to Discover Saskatoon's current funding levels, covering service expectations, staffing, operational costs, and administration of additional funds.

Maintaining "whole" should include no future reductions in DMF funding and/or reasonable increases in the Fee for Service agreement with the City. We ask that future City Councils consider the need for more significant funding through this agreement if Discover Saskatoon loses revenue from the Destination Marketing Fund. As a tier-two city facing challenges like airlift, our continued growth and ability to serve the community are more vital than ever in an increasingly competitive world.

We ask the City to ensure that the DEED funding model is developed without negatively impacting Saskatoon's destination marketing function.

Sincerely,



Steph Clovechok  
Chief Executive Officer  
Discover Saskatoon