

Janzen, Heather

Subject: FW: Email - Communication - Sherry Tarasoff - Downtown Event and Entertainment District Funding Strategy - CK 4130-14
Attachments: 2024-08-28 Regular DEED funding.pdf

From: Web NoReply <web-noreply@Saskatoon.ca>
Sent: Sunday, August 25, 2024 10:48 AM
To: City Council <City.Council@Saskatoon.ca>
Subject: Email - Communication - Sherry Tarasoff - Downtown Event and Entertainment District Funding Strategy - CK 4130-14

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

Submitted on Sunday, August 25, 2024 - 10:43

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: Sunday, August 25, 2024

To: His Worship the Mayor and Members of City Council

First Name: Sherry

Last Name: Tarasoff

Email: [REDACTED]

I live outside of Saskatoon: No

Saskatoon Address and Ward:

Address: [REDACTED] Peterson Cres

Ward: Ward 4

What do you wish to do ?: Submit Comments

What meeting do you wish to speak/submit comments ? (if known):: REGULAR BUSINESS MEETING OF CITY COUNCIL - August 28, 2024

What agenda item do you wish to comment on ?: 10.1.2 Downtown Event and Entertainment District Funding Strategy

Comments:

Please find my comments/questions attached, as well as a video presentation. Thank you.

Attachments:

- [2024-08-28 Regular DEED funding.pdf](#) 144.19 KB

Will you be submitting a video to be vetted prior to council meeting?: Yes

Publicly viewable / shareable link from YouTube: <https://youtu.be/lbPfFju9NGs>

I have submitted my comments in writing, like I often do. In this case, I also wanted to present a video so that I know my comments are heard.

I have numerous concerns/questions.

1. The funding strategy is based on a 33-year plan, including a 30-year debt repayment. The current SaskTel Centre is 36 years old. It is being replaced instead of renovated because the entertainment industry has changed and a few acts require a higher ceiling height. What is the expected lifespan of this new arena?
2. Speaking of SaskTel Centre, this funding strategy includes a cost of \$4.8 million for the possible demolition of SaskTel Centre. While not the final decision, I'd like to know how a building that, by all accounts, is still solid, could even be considered for anything but adaptive reuse.
3. A full Class 4 cost estimate was prepared by BTY Group, but this 215-page, 6.5M report was not included as part of the public agenda. Only a link to the project webpage. Why? It is the key document on which this discussion is based. By not including it, it will not be archived on the City's meeting page, as the 108-page, 125M Conceptual Design Report has been.
4. The full Class 4 cost estimate has a variance of +/- 15% to 20%. So does that mean that the \$1.22 billion estimate could be as large as \$1.46 billion? In recent experience (April 2019), the estimated total cost of the BRT system was \$120 million, +/- 25%. The funding for the BRT now, excluding bus purchases, is \$190 million. And tenders have barely started to be received for the BRT project. Who knows where it will end up? For the DEED, will there be a plan to prepare for overruns?
5. That brings me to the risk. There are risks identified for each funding option. Who determined these risks? I am interested in the apparent lack of contribution by the City's Corporate Risk Manager. The one and only report that her name has been on related to the DEED is the Revenue Instruments report from September 2023, on which this funding strategy is based. For such a significant report, I want to know that the Corporate Risk Manager has been consulted on what the risk tolerance is for this project.
6. I've quoted this before and I'm going to repeat myself. The KPMG report stated that the citizens of Saskatoon would still be impacted by the use of TIF. Tax increment financing relies on the property tax revenues generated from the increase in taxable assessed value in a designated area. In effect, the taxable assessed value of the entire City is reduced by the assessed value reallocation in the TIF zone. This precludes the increased property tax revenues in the TIF zone from being distributed to the general revenue funds when the TIF period is active. As a result, other properties in the City will need to pay more in property taxes to cover the shortfall in incremental tax revenues anticipated to be generated from the TIF zone. This concept must be made clear to the taxpayers.

7. The report references assessed values within the TIF boundary. The more relevant information would be the property taxes collected within the TIF zone. What have been those values within the TIF boundary for the last decade? Edmonton had that information when considering their arena.
8. Why was Midtown Development excluded from all growth scenarios? While it may overstate the potential for TIF, as the City's largest assessed property, it is very relevant to this financing option.
9. Please confirm that this cost estimate is only for the District Core. As reported at the February GPC meeting, I had expected to see the City Centre and District Plan in Q2 of 2024. It appears that we are completely focussed on this one area at the expense of the whole downtown.
10. And finally, we are in a different place than when the estimate for this project was provided in 2018. Back then, the high cost for new construction was \$375 million, not including land acquisition, demolition or related transaction costs. This project, and associated costs, have ballooned well beyond that. Stepping back and looking at the state of our City today, is it wise to continue on this course?

Thank you for this opportunity to present.