

Janzen, Heather

From: City Council
Subject: FW: Email - Communication - Jason Aebig - Greater Saskatoon Chamber of Commerce - Downtown Event and Entertainment District - CK 4130-14
Attachments: Keep Going - Securing Saskatoon's Future Through DEED.pdf

From: Web NoReply <web-noreply@saskatoon.ca>
Sent: Monday, August 26, 2024 4:35 PM
To: City Council <City.Council@saskatoon.ca>
Subject: Email - Communication - Jason Aebig - Greater Saskatoon Chamber of Commerce - Downtown Event and Entertainment District - CK 4130-14

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

Submitted on Monday, August 26, 2024 - 16:33

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

First Name: Jason

Last Name: Aebig

Phone Number : [3066640701](tel:3066640701)

Email: [REDACTED]

I live outside of Saskatoon: No

Saskatoon Address and Ward:

Address: 260-536 2nd Ave N

Ward: Ward 1

Name of the organization or agency you are representing (if applicable): Greater Saskatoon Chamber of Commerce

What do you wish to do ?: Submit Comments

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

What agenda item do you wish to comment on ?: 10.1.1 & 10.1.2

Comments:

Good afternoon,

Please find the attached letter sent on behalf of the Greater Saskatoon Chamber of Commerce to be included in the August 28th City Council meeting package. Mr. Aebig has also previously requested to speak to the same items.

Thank you.

Attachments:

- [Keep Going - Securing Saskatoon's Future Through DEED.pdf](#) 373.76 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

Keep Going - Securing Saskatoon's Future Through DEED

Dear Mayor Clark and City Council,

The Greater Saskatoon Chamber of Commerce would like to express its appreciation for the diligent and thorough process undertaken by City Administration to advance the Private Partner Agreement and corresponding Funding Strategy for the Downtown Event and Entertainment District (DEED).

Given the scale and significance of the proposed DEED, we established a Chamber member task force comprised of experts and key stakeholders from various sectors with deep experience in similar projects. What follows are the thoughts of this task force as it relates to the recommendations before you today

The Cost of Inaction

A November 2023 study by the Saskatoon Chamber and Downtown Saskatoon found that the proposed entertainment district could inject \$1.37 billion into the local economy through increased spending, job creation, and additional overnight hotel stays and would attract new residents, visitors, and businesses to our city centre. Event and entertainment infrastructure has proven to be a catalyst for density, private investment, and job creation, particularly appealing to young workers. If we fail to move forward, Saskatoon will miss out on these vital economic opportunities.

Delaying action also means escalating construction and labour costs. Maintaining our current facilities will become more expensive, placing an increasing burden on local ratepayers. The longer we wait, the more we'll spend on deteriorating facilities that become less and less attractive to host major community events.

Meanwhile, cities like Regina, Edmonton, Winnipeg and, most recently, Calgary will have already invested in new facilities in redeveloped districts. Each will rob us of opportunities to host major events and conferences, representing millions in lost economic activity—benefits that could have supported our local businesses, good jobs and community economic development. To stay competitive, Saskatoon must act now or risk falling further behind.

Missed opportunities, escalating costs, lost time: Saskatoon cannot afford the cost of inaction.

Private Partner

We are pleased to see the City's progress in securing a private partner for the project. The proposal's \$20 million up-front capital contribution and projected \$150 million in operating revenue sharing over 25 years speaks to the confidence and commitment Oak View Group (OVG) has in Saskatoon. This agreement represents the largest venue management capital investment by OVG in Canada, further underscoring the potential they see in the future of our city.

As details of the agreement are made available, the Chamber will be interested in ensuring:

1. Saskatoon is OVG's exclusive venue partner in Saskatchewan
2. Local suppliers and vendors are full participants in the development and operation of the district and;
3. Ratepayers are protected against operational losses should they occur.

Multiple Funding Strategies

As we move forward, it is imperative that our provincial and federal governments understand the significance of this infrastructure investment for the growth of Saskatoon and all of Saskatchewan. Securing their support will be crucial in ensuring that the project delivers its projected economic impact.

Additionally, it is critical that the City capitalize on all available revenue-building options to ensure the financial viability of the DEED project and minimize the burden on our residents and businesses. By tapping diverse revenue streams, such as naming rights, sponsorships, and innovative public-private partnerships, the City can generate substantial funds that alleviate the need for additional taxation or financial pressure on local businesses.

Accommodation Funding Contributions

We urge you to continue your negotiations with our hotel partners to establish a fair and equitable model. We believe that this partnership should preserve Discover Saskatoon's ability to deliver its services without placing undue burdens on the industry or its owners. However this contribution is mandated and remitted, the following principles should apply:

1. **Good Governance:** An independent oversight board with strong representation from Saskatoon Destination Marketing Hotels (SDMH), and other industry stakeholders, should be established to ensure that levies are collected, remitted, and allocated for their intended purpose. This model, similar to Ontario's Municipal Accommodation Tax, ensures that funds are directed appropriately and not absorbed into the City's general revenues.
2. **Financial Transparency:** All remitted funds should be audited for accuracy and reported publicly within the municipality's normal financial reporting. This transparency is crucial for maintaining trust among stakeholders.

3. No Burden on Business: The accommodation funding contributions and administrative costs should be fully borne by the guest, with no additional out-of-pocket expenses incurred on owners.

Keep Going

In conclusion, while much is uncertain, it is clear:

No other infrastructure project can rival the transformative, city-wide economic impact that DEED promises.

This project needs to be "shovel ready" so we are first in line, and top of mind, for any investment opportunities that come our way.

And, like others before us, it is our turn to think boldly and ensure Saskatoon remains a major player on the Prairies.

We have a once-in-a-generation opportunity to create a destination for everyone – whether you live around the corner or halfway around the world. Not unlike other critical infrastructure projects, the potential impact of this city-building project is just too big to ignore. If Administration's recommendation is to "keep going," we support it.

Sincerely,



Jason Aebig, CEO