

Downtown Event and Entertainment District – Private Partner Procurement Update – April 2025

ISSUE

The Administration presented the “Downtown Event and Entertainment District – Private Partner Agreement Framework Update” report to the Regular Business City Council meeting on September 25, 2024. In this report, Administration informed City Council an update would be provided with any proposed modifications to the Agreement Framework at such time that OVG is available to be in attendance. What is the current status of negotiations with OVG, and what are the next steps?

BACKGROUND

At its January 25, 2023 Regular Business Meeting, City Council received a report entitled “[Downtown District Event Centre and Convention Centre - Potential Private Partner](#)” and approved that the new event centre/arena and convention centre would be operated under third-party private management, subject to a competitive procurement process, resulting in a partnership arrangement of suitable benefit to the City of Saskatoon (City).

At its January 31, 2024 Regular Business Meeting, City Council received a report entitled “[Downtown Event and Entertainment District – Private Partner Procurement Approach](#)” that described the procurement process and Request for Proposals (RFP) evaluation criteria. City Council approved the procurement approach with the addition that the RFP include submission requirements related to creating and sustaining good jobs, as well as an outline of any previous experience developing, implementing, and evaluating community benefit outcomes in other projects.

A Request for Qualifications (RFQ) was deployed to pre-qualify proponents based on their expertise, experience, capabilities, and other relevant qualifications for operations management of one, or both, of the future venues. The RFQ closed on January 23, 2024, and both proponents that submitted qualifications were pre-qualified for the RFP phase.

The RFP was issued on February 15, 2024 and closed on April 25, 2024 with both pre-qualified proponents providing proposal submissions. Following meetings for the evaluation of the proposals, which were attended by a Fairness Monitor (P1 Consulting), the submission from OVG was deemed the highest scoring submission and negotiations commenced on May 15, 2024.

Negotiations to date have focused on the development of an Agreement Framework, which outlines the key points of agreement between both parties that will then be used as the foundation for the development of the Master Agreement. The City’s negotiation team is supported by a Deal Structure and Negotiations Advisor (Hunden Strategic Partners) and by a Legal Advisor (MLT Aikins LLP).

At its August 14, 2024 meeting, the Governance and Priorities Committee received an approval report entitled “[Downtown Event and Entertainment District – Private Partner Agreement Framework](#),” which outlined the Agreement Framework negotiated with OVG. The Committee resolved, in part:

- “2. That the report be forwarded to the August 28 Regular Business Meeting of City Council as an approval report or at such time OVG is able to be in attendance.”

At its September 25, 2024, meeting, City Council received an information report entitled “[Downtown Event and Entertainment District – Private Partner Agreement Framework Update](#),” which provided a brief update on the status of OVG’s efforts to advance internal reviews of the Agreement Framework, and that the Administration would provide an update report to City Council with any proposed modifications to the Agreement Framework at such time that OVG is available to be in attendance.

CURRENT STATUS

In mid-October 2024, OVG contacted the Administration proposing some changes to the Agreement Framework. At that point, the City’s negotiation team re-engaged in negotiations with OVG. This new round of negotiations concluded in mid-December 2024. The Administration has recently received confirmation from OVG that the terms of the updated Agreement Framework has completed internal review and approval.

DISCUSSION/ANALYSIS

Private Partner Procurement Process

The private partner procurement process was executed in compliance with [Council Policy C02-045 – Purchasing Policy](#), which afforded equal access to all qualified suppliers. Both proponents that provided submissions through the RFQ and RFP processes can be classified as multi-national companies with corporate headquarters located in the United States.

OVG manages 22 venues across Canada and has a regional office located in Toronto dedicated to Canadian content and sponsorships. The Agreement Framework would be between the City and OVG's Canadian subsidiary Global Spectrum Facility Management, L.P., an Ontario Limited Partnership extra-provincially registered in Saskatchewan pursuant to the provisions of *The Business Corporations Act, 2021*.

Recent Changes in Economic and Political Climate

Since the negotiations between the City and OVG were concluded in mid-December 2024, there have been some significant economic and political influences that have created uncertainty in the economic and political climate.

Recent uncertainty and rhetoric around tariffs has upset the current economic and political environment. On March 5, 2025, Premier Scott Moe announced several measures to respond to the imposition of tariffs by the United States. As a part of the

measures by the Government of Saskatchewan, it is expected that the City prioritize Canadian vendors and contractors with the goal of reducing or eliminating the procurement of American goods and services.

On March 23, 2025, Parliament was dissolved, and a federal election was called for April 28, 2025. The results of the federal election may influence Canada's future trade and economic policies.

At this time, it is unknown how the current economic and political environment, the federal election, and the noted provincial procurement mandate will affect progression of the Downtown Event and Entertainment District project. For example, tariffs or retaliatory tariffs could be applied that could add significant additional cost to service contracts. Given this current high level of uncertainty and unknowns, and the significant resources invested in this procurement to date, the Administration is intending to pause on bringing forward the private partner Agreement Framework to City Council for review and approval, for up to six months. This is a major business decision for the City, and a pause in moving forward with a decision at this time will provide additional time to monitor and re-assess the economic and political environment in the context of the Agreement Framework.

IMPLICATIONS

There are no financial, communications, Triple Bottom Line, policy, privacy, or CPTED implications or considerations emerging from this report. These will be considered in future reports as required.

NEXT STEPS

Unless directed otherwise, the Administration will continue to monitor the political and economic environment and will report back on this matter in no later than six months.

Report Approval

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