



# City of Prince Albert

**RPT 2026-102**

**TITLE:** Destination Marketing Levy Policy Amendments

**DATE:** March 25, 2026

**TO:** Executive Committee

**PUBLIC:** X

**INCAMERA:**

## **RECOMMENDATION:**

That the draft Destination Marketing Levy Policy attached to the report be approved.

## **EXECUTIVE SUMMARY:**

The Destination Marketing Levy Policy requires some minimal housekeeping amendments to clarify various sections of the document. In addition, an opportunity to provide funding for annual city-wide events through the Destination Marketing Fund has been identified.

## **BACKGROUND:**

In 2017, the Destination Marketing Fund was established to support event attraction and expansion in Prince Albert. Funds are generated through a levy, which is applied through a base tax to all hotels in Prince Albert based on their assessed value. The funds generated through the levy are used to support events that generate hotel stays in the City of Prince Albert.

The objectives of the policy are to:

- Attract events to the City of Prince Albert;
- Attract visitors to the City of Prince Albert, and in so doing, generate significant economic benefit for the community, specifically the hotels;
- Enhance the profile and visibility of the City, provincially, nationally, and internationally;
- Fund events that will have a positive impact on tourism visitation and spending within Prince Albert; and
- Increase occupancy at member hotels.

The Destination Marketing Levy Policy was last updated in 2024 when changes were approved to adjust the application submission and approval workflows, require event sponsorship packages to be submitted if applicable, and to increase the minimum number of hotel nights required to receive funding.

---

## **PROPOSED APPROACH AND RATIONALE:**

### **Housekeeping Amendments**

There are a few general housekeeping policy amendments that need to be completed:

- Remove reference to bed and breakfasts. Stays in residential properties that do not pay a Destination Marketing Levy do not count toward hotel room nights for events; change wording to show that events need to generate stays in hotels that pay into the Destination Marketing Reserve.
- Increase the payment for events with 851-900 hotel room nights from \$9,900 to \$10,000 to be aligned with the other accommodation ratios.
- Remove reference to evaluation metrics. The metrics were intended to be removed to keep the focus on the number of hotel room nights generated by each event.
- Remove the evaluation criteria matrix from the appendices.
- Update the procedures to reflect an accurate process for reviewing grant applications.
- Update the application forms for inclusion as appendices.

### **New Funding Stream for Annual City-Wide Events**

During the most recent Budget Committee meetings, it was identified that an alternative way to provide Parks, Recreation and Culture support to community events was needed.

Budget Committee Resolution No. 0204 dated November 20, 2025:

“That the total 2026 Operating Budget for the Parks, Recreation and Culture Functional Area be approved at a cost of \$727,884, as amended, to include waiving of fees revenue in the amount of \$35,000 with an additional \$15,000 from overall savings.”

The Destination Marketing Fund has been suggested as a possible funding source for large annual events that were previously funded under the Waiving of Fees and In-Kind Support Policy. Events including the Prince Albert Winter Festival, Downtown Street Fair, and Prince Albert Exhibition would be potentially supported through this funding stream. In 2025, total in kind support was \$35,523.

The new funding stream would be described as follows (Section 3.01 - Category 5 in the updated policy):

**Annual City-Wide Events** – This category is suitable for annual events held by local nonprofit organizations that promote tourism and generate overnight stays in the City. These events require specific supports through the Department of Parks, Recreation and Culture, and this funding stream can be used to reimburse the costs of those supports.

It is proposed that these events go through a separate application process where funding is transferred internally and events continue to be supported in-kind. While the number of room nights supported for these events would be harder to track (no hotel rooms being blocked by an event organizer, for example), the proposed funding stream is still aligned with the policy objectives, specifically attracting visitors to the City of Prince Albert and supporting events that have a positive impact on tourism visitation and spending.

## **CONSULTATIONS:**

Discussions have been ongoing with the Destination Marketing Levy Advisory Committee regarding possible changes to the existing policy, and conversations with the Parks, Recreation and Culture Department have taken place to discuss the possibility of supporting additional annual events through means other than the Waiving of Fees and In-Kind Support Policy.

Meetings with the current hotels that are paying the Destination Marketing Levy have been ongoing to discuss event tracking, the economic impact of the Destination Marketing Fund, as well as hotel concerns that have been flagged by event hosts.

## **COMMUNICATION AND/OR ANNOUNCEMENT PLAN:**

A report will be forwarded to City Council regarding the amended Destination Marketing Levy Policy when changes have been finalized. Any changes to the policy will be communicated to future grant applicants.

## **BUDGET/FINANCIAL IMPLICATIONS:**

The health of the Destination Marketing Levy Reserve is impacted by the number of events that are supported by the grant program on an annual basis. The possibility of including funding for in-kind support for annual city-wide events will further impact the reserve by approximately \$35,000 per year. For context, under the current policy, \$35,000 is the maximum grant amount a single event could expect if the number of hotel nights generated by the event exceeded 1,500.

## **OTHER CONSIDERATIONS/IMPLICATIONS:**

There are no additional policy, privacy, legal, safety, or environmental implications.

## **OPTIONS TO RECOMMENDATION:**

The Committee could choose not to amend the Destination Marketing Levy Policy at this time. Given that the policy does require some minor changes to provide clarity for applicants, it is recommended that at a minimum, the housekeeping amendments be completed.

Additionally, if a new funding source for the annual city-wide events isn't approved, the community organizations that have historically relied on funding through the Waiving of Fees and In-Kind Support Policy will be required to pay for City services in 2026.

## **STRATEGIC PLAN:**

This report is in support of the Strategic Priority identified in the City of Prince Albert's 2026 2029 Strategic Plan that speaks to 'Building a Robust Economy'. The amendments to the Destination Marketing Levy Policy are aligned with the key initiative to support the attraction of major events to Prince Albert, in partnership with local, provincial, and national organizations.

**OFFICIAL COMMUNITY PLAN:**

Sections 13.2 (i) and (iii) of Prince Albert's Official Community Plan provide direction on facilitating the diverse arts, culture, and tourism opportunities in the City, as well as recognizing these opportunities as social and economic drivers. The Destination Marketing Levy Policy directly supports arts, culture, and tourism opportunities by providing financial support to events.

**PUBLIC NOTICE:**

Public Notice pursuant to the Public Notice Bylaw No. 24 of 2015 is not required.

**PRESENTATION:**

Verbal Presentation by Michael Nelson, A/Director of Community Development and Jody Boulet, Director of Parks, Recreation and Culture

**ATTACHMENTS:**

1. Draft Destination Marketing Levy Policy No. 89.4

**Written by:** Ellen Pearson, Economic Development Planner

**Approved by:** A/Director of Community Development; Director of Parks, Recreation & Culture; and A/City Manager