

# Tourism Diversification Program FALL 2023 PROGRAM GUIDELINES

1

#### Goal:

This funding program assists <u>Market-Ready</u> Saskatchewan tourism businesses to diversify their business by either developing new experiences, expanding seasonal operations and/or attracting new markets. It aims to encourage the creation of new and enticing single- and multi-day packages and experiences in the province.

#### **Objectives**:

The program has three streams with the following objectives:

- New Market(s) attract new markets for currently operating tourism business infrastructure

   (Maximum \$30,000 available, per applicant)
- 2. Seasonal Usage Expansion assist businesses to expand seasonal usage of both current and new tourism infrastructure
  - (Maximum \$30,000 available, per applicant)
- New Experiential Product Development assist in the creation of new experiential product(s) for established tourism businesses
  - o (Maximum. \$40,000 available, per applicant)

### Assistance:

This program is application-based. The maximum funding per applicant ranges from \$30,000-\$40,000, depending on the stream to which the applicant applies. Applicants can apply to one funding stream. A minimum equity investment of 30 per cent of the total project cost is required by the applicant and applies to all three streams.

### **Eligible Applicants:**

- Existing <u>Market-Ready</u> Saskatchewan tourism businesses (incorporated or sole proprietorship) that meet all local, provincial, and federal requirements for operating a business in Saskatchewan.
- Existing <u>Market-Ready</u> Saskatchewan Not-for-Profit Corporations that meet all the local, provincial, and federal requirements for operating a not-for-profit in Saskatchewan.
- Indigenous/First Nation/Métis Settlement owned business (including Indigenous sole proprietorships) or an Indigenous organization such as Indigenous-led not-for-profits and organizations which include but are not limited to First Nations as represented by their Chief and Council, Tribal Councils, Indigenous Representative Organizations, Métis and Inuit organizations and Settlements as well as Indigenous/First Nation/Métis Settlement owned organizations.

### Project Requirements (ALL the following requirements MUST be met):

- Applicant follows a formal business/project plan with the following components:
  - Financial plan



- Human resource plan
- Marketing plan
- Risk management plan
- Operational plan
- Must invest a minimum of 30 per cent of equity required to undertake the project.
- Applicant must be in good standing with Tourism Saskatchewan.
- Incorporates TWO OR MORE of the following package or experience elements: food and beverage, accommodation, transportation, recreation and entertainment;
  - NOTE: "Recreation and Entertainment" refers to the activity or activities that the customer will take part in when purchasing the package or experience from you (i.e., guided hikes, rounds of golf, boat rentals, ski passes, etc).
  - NOTE: "Transportation" refers to 'in activity transportation' (i.e., how you will move your customers around to each element of the experience, assuming the elements may be spread apart geographically).
- Incorporates packages and experiences that are available at a single-point of purchase.
- Shows an effective use of funds and demonstrates ability to deliver on project outcomes; and
- Project must be completed on or before March 31, 2026.

### Eligible Expenses:

- Infrastructure development (such as supplies, third party contractors, building materials, equipment)
- Training for delivery of guided experiences
- Third party contractors or consulting firms

### **Ineligible Expenses:**

- ALL marketing expenses, such as promotional materials, online marketing, website development, content creation and any other marketing activities.
  - All requests for Marketing expenses should be directed through Tourism Saskatchewan's <u>Marketing and Event Partnership Program</u>
- Any expenses subsidized in full or part by other programs offered by Tourism Saskatchewan or Government of Saskatchewan departments, ministries, agencies, etc.
- Travel costs
- Education, certification programs, conference participation, membership fees and subscription fees
- Routine operation costs, such as salaries, benefits, office supplies and equipment, rent, etc.
- In-kind contributions
- Taxes such as GST and PST

### **Application and Evaluation Process:**

Applicants must use the online application form. Submissions received in any other format will not be accepted.

Confirmation of receipt of your application will be sent by email. If you do not receive notification within two weeks, contact Bob Kadis at 306-933-5903, <u>bkadis@tourismsask.com</u>.



Applications will be reviewed by the Program Selection Committee. All applicants will receive a response within two months of the program closing date.

## Application Checklist:

- Program application form
- Financial Statements: Profit & Loss Statement and Balance Sheet
- Proof of business insurance (include liability limit)
- <u>Business or Project Plan</u> including:
  - Financial plan
  - Human resource plan
  - o Marketing plan
  - Risk management plan
  - o Operational Plan

All information submitted by the applicant during the application process will be confidential in nature and not shared outside of the Tourism Saskatchewan program requirements.

## Payment Schedules:

- Successful applicants will sign a Contribution Agreement outlining the payment schedule(s), reporting requirements and contractual obligations. All Contribution Agreements must be signed by an official with designated signing authority to perform the project.
- First installment of 60 per cent of the total allocation will be released upon signed Contribution Agreement between Tourism Saskatchewan and successful applicant.
- Second instalment of 20 per cent of the total allocation will be released upon approval of the Interim Progress Report.
- Final installment of 20 per cent of the total allocation will be released upon approval of the Final Report.

## **Reporting Requirements:**

- Monitoring and progress updates Tourism Saskatchewan will monitor projects and periodically conduct in-person progress updates and site visits.
- Interim Progress Reports Interim Progress Reports outlining milestones achieved to date, including an expense report detailing how investment funds are being used. Copies of receipts are required.
- Final Report A Final Report will be required following completion of the stated project activities. This report will summarize activities, progress, and achievements, and include an expense report detailing how investment funds were used. Copies of receipts are required.
- Revenue and Customer Service Metrics Reports will be required for the first two years of offering the experience to the customer.

### Additional:

- Project ownership is with the applicant. Tourism Saskatchewan assumes no responsibility for governance and management of funded projects.
- Preference for funding will be given to applicants who incorporate package and experience elements that result in all-inclusive multi-day offers for their guests.



- Preference for funding will be given to applicants who commit more than the 30 per cent minimum equity contribution required.
- Preference may be given to applicants who incorporate one or more of the following markets into their proposal:
  - Agriculture/Culinary
  - o Astrotourism
  - Birding
  - o Indigenous
  - o Snowmobiling
  - o Wellness
  - Wildlife and Landscape Photography
- Previously funded applicants will not be eligible for additional funding until the successful completion of their current contract.
- All program participants will be required to adhere to the program Contribution Agreement that accompanies each project Funding Agreement. Failure to do so could result in withdrawal of funding support by Tourism Saskatchewan.
- Where applicable, funding should be complementary to programs offered by other agencies, rather than replace such funding. Assistance will not be provided should the sustainability of existing community initiatives with similar outcomes be adversely affected.
- Projects by successful applicants may be highlighted and shared with other tourism stakeholders to promote further advancement of tourism destination development in Saskatchewan.
- All submissions will be addressed in a timely manner and through an objective and transparent process.
- Tourism Saskatchewan is a partner with industry and expects industry to assume some financial risk through the form of equity or debt financing to supplement Tourism Saskatchewan's contributions toward new investment opportunities.
- Program information will be readily available to all residents of Saskatchewan.
- All funded projects must be completed on or before March 31, 2026, as outlined in the Contribution Agreement contract.

