



Subject: Application for Tourism Relief Fund

To: Council

From: Chief Administrative Office

Report Number: 2021-298

Meeting Date: November 22, 2021

Recommendation:

That Chief Administrative Office Report 2021-298 be received; and

That Council approve submitting an application to FedDev Ontario for the Tourism Relief Fund.

Purpose:

The purpose of this report is to seek Council approval to submit an application to FedDev Ontario for the Tourism Relief Fund.

Background:

On July 12, 2021, the Federal government announced the launch of the Tourism Relief Fund (TRF). The fund provides \$500-million over two years to tourism businesses and organizations for adapting operations to meet public health requirements while investing in products and services to facilitate future growth. Eligible projects must fall under one of two themes:

1. Product development/development and enhancement of tourism experiences, and
2. Destination development.

Emphasis is placed on projects with investments that will help reposition Canada as a destination of choice following the economic disruption caused by the COVID-19 pandemic.

Applications are being accepted and funded on a continuous intake basis over two years or until such a time as the allocated funding is fully distributed.

Discussion:

The City of Port Colborne is eligible to apply for the TRF as a municipality that forms part of a tourism cluster. A tourism cluster includes, but is not limited to, a community or region that is dependent on tourism for economic activity or is transitioning towards a more tourism-focused local economy. Of the two eligible project themes, City staff want to prepare an application under the destination development theme. Staff are taking direction from the Cruise Destination Business Case completed by Lakeshore Excursions as well as the City's Economic Development Strategic Plan: 2018-2028.

Staff believe the City's development as a cruise destination is an investment that would position Port Colborne to take advantage of post-pandemic opportunities available through cruise tourism. With over 50 stops by cruise ships set to take place next year, this significant increase in activity means there are many things that staff must coordinate to prepare for the influx. Eligible costs under the TRF include categories like capital and non-capital costs, labour, expertise and materials. The City's application is expected to cover most, if not all, of these categories with costs related to its medium to long-term plans to welcome and host cruise ship passengers, develop excursion itineraries and packages, and service cruise ships for water and power. These costs were not previously submitted under applications to the RED (Rural Economic Development) or CCRF (Canada Community Revitalization Fund) programs. By virtue of where the cruise ship activity will occur, which is adjacent to the southern tip of West Street and the eventual waterfront centre, the costs included in the TRF application are separate but still interconnected to the projects proposed in both the RED and CCRF applications.

Internal Consultations:

Staff from the Economic Development & Tourism Services Division have consulted internally with staff from Public Works on project scope and costs.

Financial Implications:

There are no financial implications associated with submitting an application. Contributions from the TRF to not-for-profit organizations like the City of Port Colborne are non-repayable and do not need to be matched. If the City were to be successful with its application, the project contribution amount would not exceed \$500,000.

Public Engagement:

Staff from the Economic Development & Tourism Services Division are planning public engagement activities with the local business community as part of the City's cruise ship initiative. Pending the application's outcome, funds received from the TRF will be cited at future public meetings.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillars of the strategic plan:

- Attracting Business Investment and Tourists to Port Colborne
 - City-Wide Investments in Infrastructure and Recreational/Cultural Spaces
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Conclusion:

The purpose of this report is to seek Council approval to submit an application to FedDev Ontario for the Tourism Relief Fund (TRF). The TRF is a \$500-million fund that can provide Port Colborne with an investment which would facilitate future growth in cruise tourism. The development of Port Colborne as a cruise destination has been underway for quite some time now and financial assistance from funding programs like the TRF would help alleviate costs associated with delivering products and services to the cruise ships and their passengers.

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.