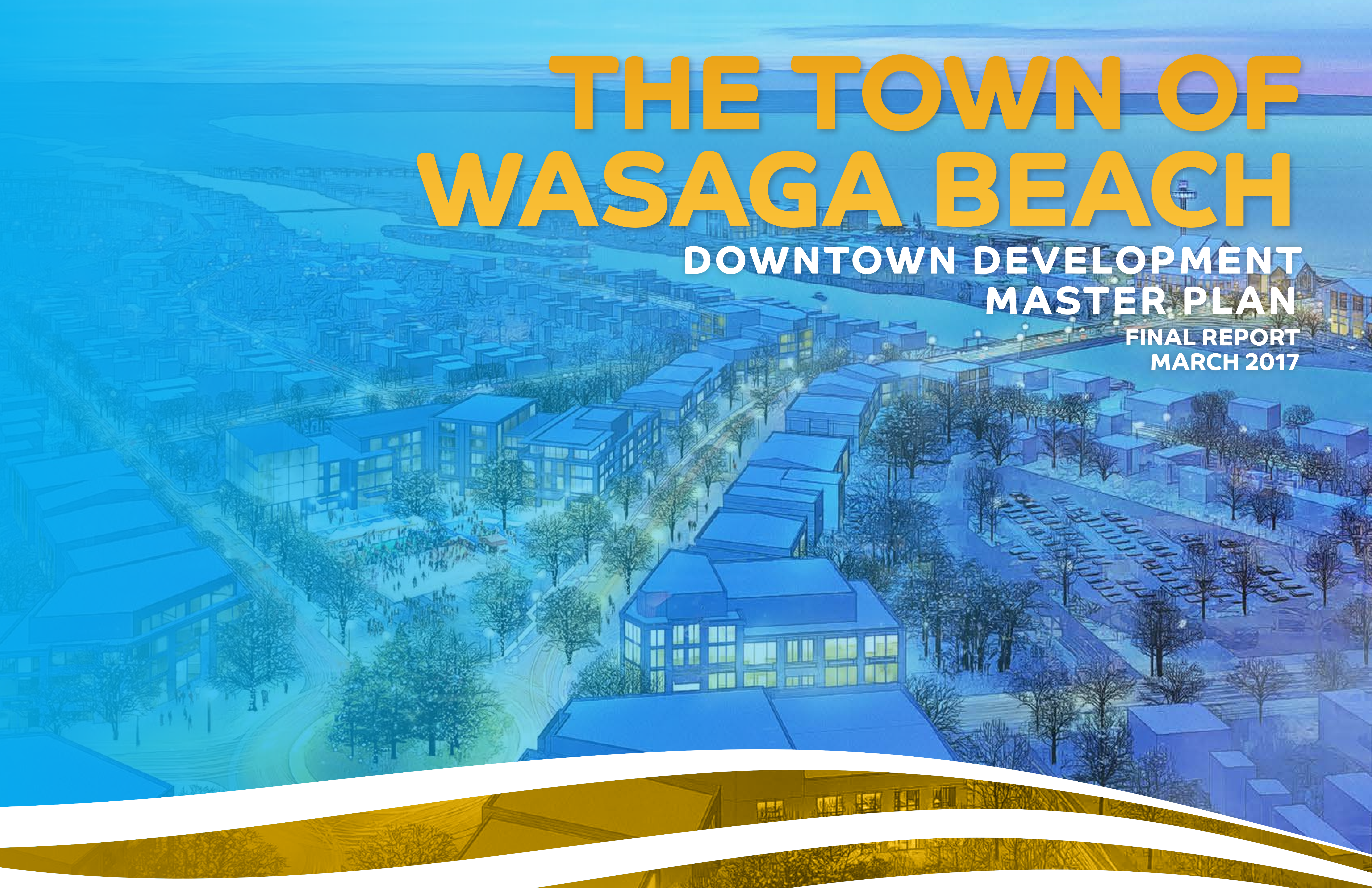
THE TOWN OF WASAGA BEACH

DOWNTOWN DEVELOPMENT MASTER PLAN

FINAL REPORT
MARCH 2017



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ACKNOWLEDGMENTS
TOWN OF WASAGA BEACH

The Wasaga Beach Downtown Development Master Plan (DDMP) is the product of an ongoing and open community engagement process that was designed to bring together Members of Wasaga Beach Town Council, residents, business owners and relevant stakeholders to create a plan that will guide public and private investment in Downtown Wasaga Beach. Over the course of a four month workshop series, from August to December 2016, members of Wasaga Beach Town Council, residents, business owners and relevant stakeholders collaborated to share their ideas, expertise and energy to build this plan. Throughout the community engagement process, overwhelming support and commitment was demonstrated by the residents, business owners and relevant stakeholders that helped shape the plan. The DDMP offers an exciting vision for the future and with the combined efforts of all those that helped shape the plan we can all look forward to its successful implementation.

This plan has been made possible by the contributions and involvement of many, including the following key individuals:

THE CLIENT TEAM

Wasaga Beach Town Council:

Brian Smith, Mayor | Nina Bifolchi, Deputy Mayor | Joe Belanger, Councillor
Sylvia Bray, Councillor | Ron Ego, Councillor | Bonnie Smith, Councillor
Bill Stockwell, Councillor

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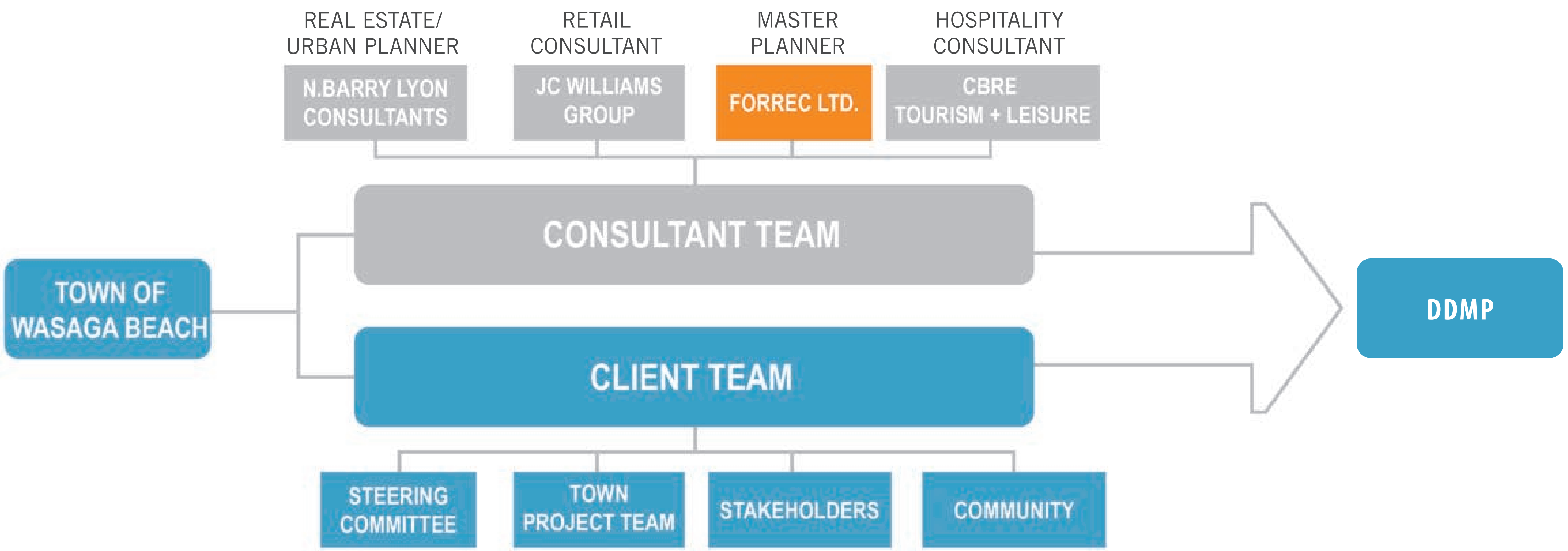
01 APPROACH

1.1 EXECUTIVE SUMMARY

This report was prepared by FORREC Limited, in association with N. Barry Lyon Consultants Limited, CBRE Tourism and Leisure Group and J.C. Williams Group, and is the culmination of a four month long community engagement process founded on best professional practices.

The DDMP was commissioned by the Town of Wasaga Beach with the goal of creating a pragmatic and sustainable plan for the future of Downtown Wasaga Beach. More than just a plan, the DDMP represents an ongoing opportunity in which virtually the entire Wasaga Beach community can become involved. The DDMP is designed to promote the evolution of a livable, compact, accessible, sustainable downtown for the entire community. This will enhance the economic competitiveness of Wasaga Beach to not only improve the Town's tourism economy (currently the only industry) but will also plant the seeds for economic diversification. Rebranding Wasaga Beach to shake the "party-town" image and replacing the brand with a more sophisticated, diversified and inclusive approach is important to the future economic success of the town. The creation of a town-centre (heart for the community) will help attract new residents, businesses and jobs and will assist in making Wasaga Beach more resilient to future economic fluctuations.

1.2 THE TEAM



Led by Forrec Ltd., the consultant team worked closely with staff from the Town of Wasaga Beach to ensure that meaningful community engagement occurred during the evolution of the DDMP. The team was guided by a steering committee as well as the feedback that was received throughout the process.

1.3 WHY IS THE DOWNTOWN IMPORTANT FOR WASAGA?

WASAGA BEACH AND THE DECLINE OF THE MAIN END

Downtowns are concentrated urban areas that allow for the efficient use of land and municipal resources for the social and economic benefit of the community. A vibrant mix of residential, commercial and public uses creates an energetic mass that can become a source of community pride and identity. Large or small, well-defined and healthy downtowns create a sense of place that yields benefits in terms of improving the quality of life for residents, creating a strong investment environment, and supporting growth.

A concentration of development also yields benefits in terms of offering more sustainable forms of development. When community services and amenities become walkable, higher density housing options can become more feasible. Apartments and townhomes, which are less costly and require less maintenance than a single-detached home, become more viable. This in turn helps populate and animate streets, taking growth pressure off suburban areas, reducing traffic, and improving safety. Higher density housing forms also expand the choice of accommodations, increasing the attractiveness of the community to a broader range of prospective residents.

Downtowns offer a logical opportunity as a place for community events. This aids in building community pride and identity and allows for improved social cohesion with opportunities to meet and connect with neighbours and other community members.

Public spaces in the Downtown, both indoor and outdoor, are typically very important for programming to attract people to the area and provide a space for community events. Consistent programming is key, and ongoing events drive positive awareness of the area and the wider town for both residents and tourists. Downtowns with a range of retail, commercial, and programming options that span all seasons and appeal to the widest mix of people, including families and children, ensures that the area remains animated and thrives throughout the year.

The Town of Wasaga Beach has a long and rich history and shares a familiar storyline with many seasonal downtowns across North America. For almost eighty (80) years, much of that exciting history was focused around Main Street at Beach Area One. Commonly known as the "Main End", Wasaga Beach had a seasonal downtown that was the social, cultural and economic heart of Wasaga Beach. The seasonal downtown was a popular holiday spot for soldiers from Base Borden and tourists from across Ontario and the northern United States. Families enjoyed the carnival-like atmosphere at the "Main End" that included activities such as midway rides, a movie theatre, outdoor and indoor bowling and dancing. In 1972, Main Street was closed to vehicular traffic and turned into a pedestrian mall. As the Town transitioned to more of a year-round community, Main Street's relevance to day-to-day life declined. A lack of reinvestment in the "Main End" combined with an explosion of suburban commercial development throughout the Town meant that the rapidly growing population would satisfy the majority of their daily needs in places other than the historic core. In 2007, a fire on Main Street resulted in the majority of the buildings along Main Street being lost.

For the past two decades, Wasaga Beach has experienced significant growth as a community of choice for many residents. Low density single family housing subdivisions, automobile-oriented strip plazas and large format retail power centres have come to dominate the landscape. This is not a unique situation to Wasaga Beach; most municipalities in North America experimented, to varying degrees, with suburban planning and development practices. What has separated Wasaga Beach from other communities is Council's focus on active living by embracing trails, bike lanes and sidewalks linking the beach and other natural features to the community. Since the late 1990's, the era of strip plazas, power centres and business parks has been falling out of favour. Increasingly, municipalities are pursuing the development of compact, mixed-use places that are highly walkable, healthier, distinct, authentic and that deliver much higher economic returns than suburban places. Wasaga Beach is well positioned to take advantage of this new planning focus. Wasaga Beach is at a turning point in its evolution. As the town continues to grow it is important for the town to chart a new, more sustainable path for the future. Having a downtown in Wasaga Beach, with a traditional main street, will help the town attract new residents, attract businesses, grow jobs and reignite the tourism industry in town and consequently was the impetus for the creation of this plan.

Artist rendering of Main Street looking west from Beck Street

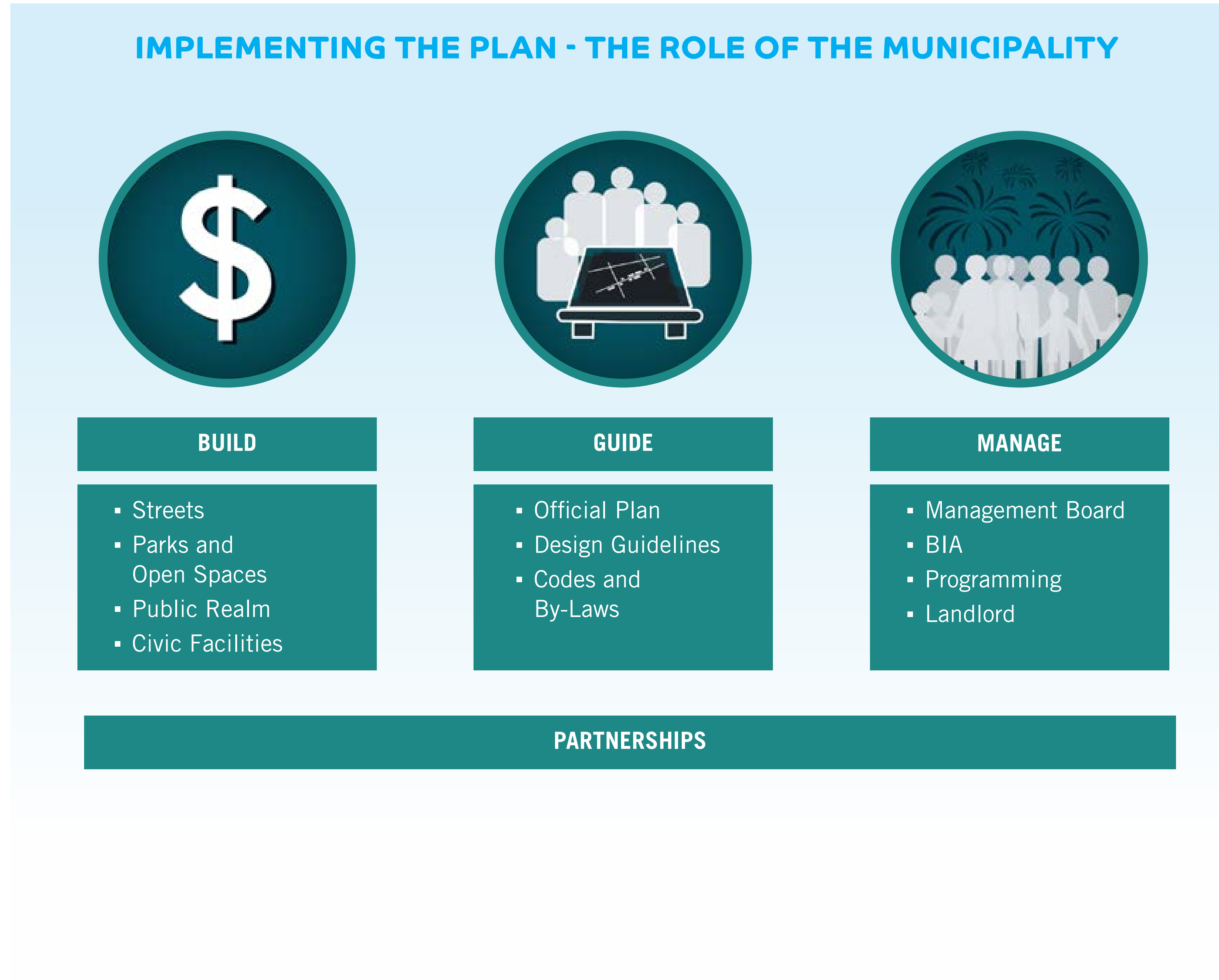
1.4 WHY IS A MASTER PLAN IMPORTANT?

Great downtowns (as described in the previous section) do not often grow organically – they require careful design, coordination and decision making by many different stakeholders over an extended period of time. Unplanned development can create inefficiencies and will rarely result in desirable or comfortable places. This is particularly true when planning to attract tourists. While the master plan should allow for market forces and individual preferences to prevail, it is also important that one stakeholder's actions do not negatively or unknowingly affect another. And while the master plan has been spearheaded by the public sector, it's implementation will require significant actions by the private sector. The master plan is the essential tool to begin the process of creating a great downtown by guiding and coordinating these efforts. The role of the Town will primarily be to build the public realm, guide development with planning policies and guidelines, as well as providing a management function to ensure the downtown is attractive and vibrant. Partnerships between the Town and the private sector (as well as other levels of government) will be critical.

PLAN, COMMUNICATE AND UNDERSTAND
In addition to functional and technical design, master plans allow numerous complex and interrelated decisions to be viewed together as a whole, allowing the public to understand proposed changes; in particular, how numerous incremental changes will affect a place over time.

COORDINATED ACTIONS
Like a great orchestra, successful places require many different players to work together in harmony. Sometimes this collaboration involves complex technical, operational or legal relationships (for example: mixed-use strata developments where service-intensive uses like grocery stores or restaurants sit above public parking and below residential units). The master plan allows for these scenarios to be anticipated in order to create livable density, harmonious communities and developer interest.

ATTRACT INVESTMENT
An innovative master plan will convey an appealing vision to the development community, allowing them to make informed decisions with an understanding of how their assets will be affected by the actions of others.



1.5 METHODOLOGY

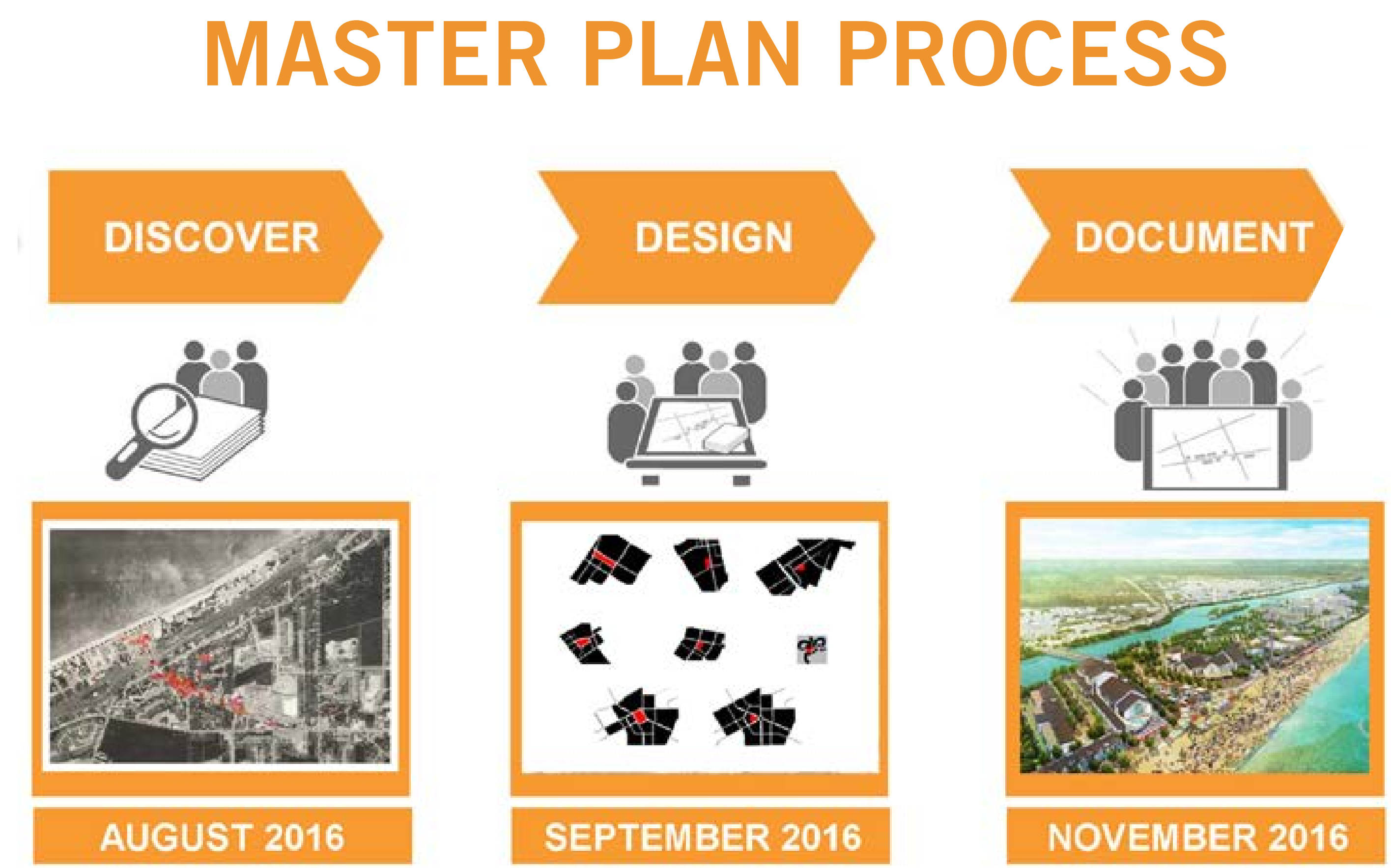
The DDMP methodology involves a critical balance of design and place-making. The master plan recommendations are informed not only by community desires and technical best practice, but are also underpinned by thorough market analysis. Recognizing the importance of tourism to the economy, and quality of life to current and prospective residents, special attention has been paid to the creation of an enjoyable guest experience. The following three-staged process was used to inform the DDMP:

MARKET BASED STRATEGY

While the primary motivation behind the DDMP is to improve the quality of life for residents of Wasaga Beach, the building blocks of the new downtown are primarily reliant on private investment. The master plan methodology has been tailored to ensure that design decisions are closely informed by market analysis of the residential, retail and hospitality developments that will shape the evolution of the downtown and underpin the economy of the town. The team also recognizes the synergies between the appeal of Wasaga Beach to both residents and developers, and has identified opportunities for partnership from the private sector to help deliver public infrastructure, allowing the Town to leverage its unique assets.

FOCUS ON IMPLEMENTATION

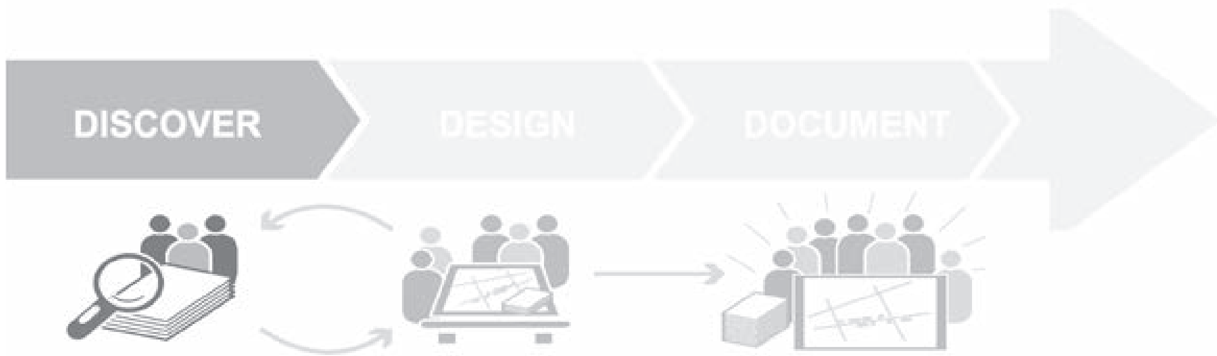
The DDMP approach recognizes the untapped potential of the town's natural assets to bring prosperity and improve the quality of everyday life for its residents. The approach described in this document is focused on realistic and achievable strategies to unlock that potential in the short term (while also planning for the future). The DDMP is focused on catalyst actions, real projects and market demands in order to change the perceptions and trends currently affecting the town.



Wasaga Beach residents at the discovery phase community presentation.

1.5.1 STAGE ONE - DISCOVERY PHASE

UNDERSTANDING THE EXISTING DOWNTOWN AND STRATEGIC DEVELOPMENT ASSESSMENT



The three-part workshop process began with the Discovery Phase. During this stage the consultant team performed due diligence to develop a well-rounded understanding of the downtown, to understand past, present and future aspirations through the many perspectives of the community.

The Discovery Phase consisted of several public presentations and stakeholder interviews to gather technical information. Public presentations were held on August 22nd and 25th, with additional interviews on August 23rd and drop- in discussions on August 24th. This stage not only provided an opportunity for the team to get a "feel" for Wasaga Beach but also challenged the Town to start thinking about possibilities for the future as well as contemplate questions that they may not have otherwise thought of.

At the first community workshop the following questions were posed:

- What do you like about Wasaga Beach?
- What don't you like about Wasaga Beach?
- What's missing that you would like to see added?
- Where should the new heart of the downtown be?

By the end of the Discovery Phase, the team had relative consensus on:

- The list of 'ingredients' to inform the planning and design stage
- An immediate list of required analyses (e.g. consumer market research survey studies)
- The design direction for downtown as expressed through initial "starter ideas" and sketches

The entire process was designed to have citizens, designers and others collaborate on a vision through public meetings, stakeholder engagement sessions, one on one interviews with key influences in an open forum for discussing ideas with short feedback loops. The consultants worked on site, collaborating with participants while drafting drawings and designs to allow for concepts and ideas to be immediately tested, ensuring that viable feedback was accurately reflected and incorporated into the DDMP.

During the Discovery Workshop, the team asked several questions in order to understand the community vision for the town.

Over 200 responses were summarized, and are presented on the following pages in 'wordles' – the larger the word, the higher the frequency of that item in the written comments.

Lastly, the team asked those present to put a sticker on a map of the downtown to indicate where they felt the 'heart' of the community should be.

Residents were asked to contribute their ides – hundreds of suggestions were collected and compiled by the team

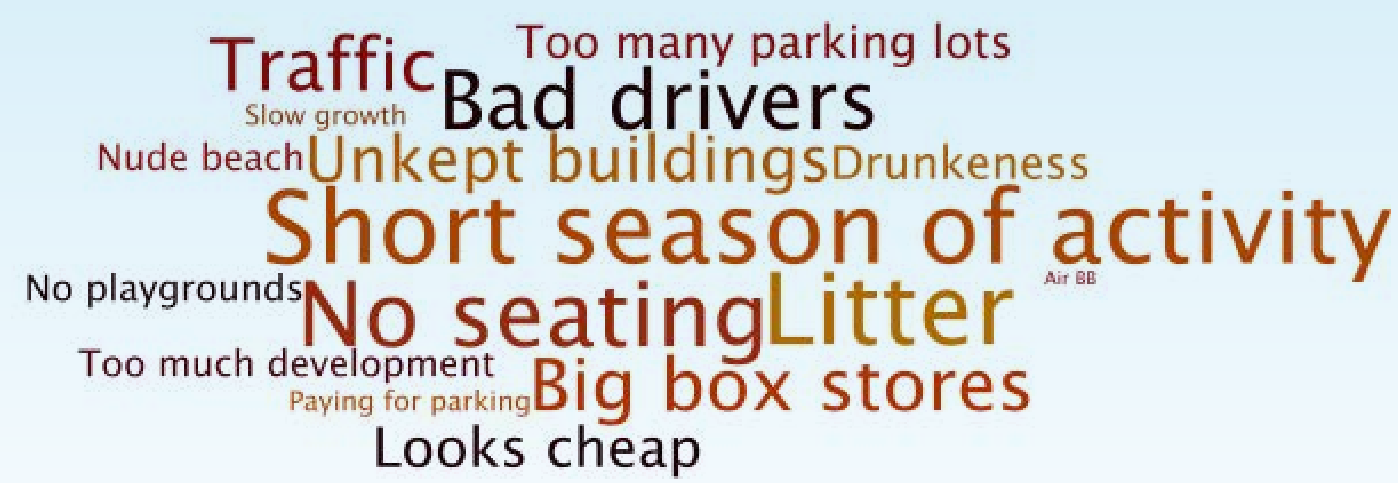
Community open house

1.5.1 STAGE ONE - DISCOVERY PHASE

UNDERSTANDING THE EXISTING DOWNTOWN AND STRATEGIC DEVELOPMENT ASSESSMENT

WHAT DO YOU LIKE ABOUT WASAGA BEACH?

WHAT DO YOU DISLIKE ABOUT WASAGA BEACH?

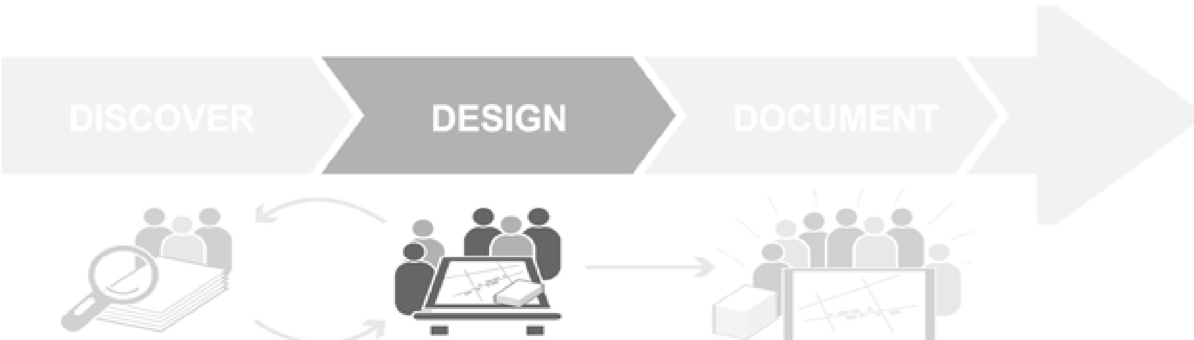


WHAT WOULD YOU LIKE TO ADD OR CHANGE?

WHERE SHOULD THE 'HEART' OF THE COMMUNITY BE?

1.5.2 STAGE TWO - DESIGN PHASE

DETAILED PROGRAMMING, FINANCIAL MODELING AND MASTER PLANNING



The Design Phase took place over the course of September 2016 with the consultant team taking some time to review information from the Discovery Phase and formulate initial findings. Further stakeholder interviews and a steering committee meeting were conducted on September 26th with a design presentation to the public on September 28th and drop-in sessions on September 29th. These sessions provided an opportunity for the public to hear what was learned by the consultant team over the course of the Discovery Phase. The public was also shown what is termed the "building blocks" for the downtown area using inspiration and character imagery to engage the collective imagination. Public feedback was also sought to further gauge the direction of the consultant team.

Through key stakeholder engagement and public community workshops, the team was able to test and develop a series of conceptual small area downtown plans for Downtown Wasaga Beach that formed the foundation for the final stage.

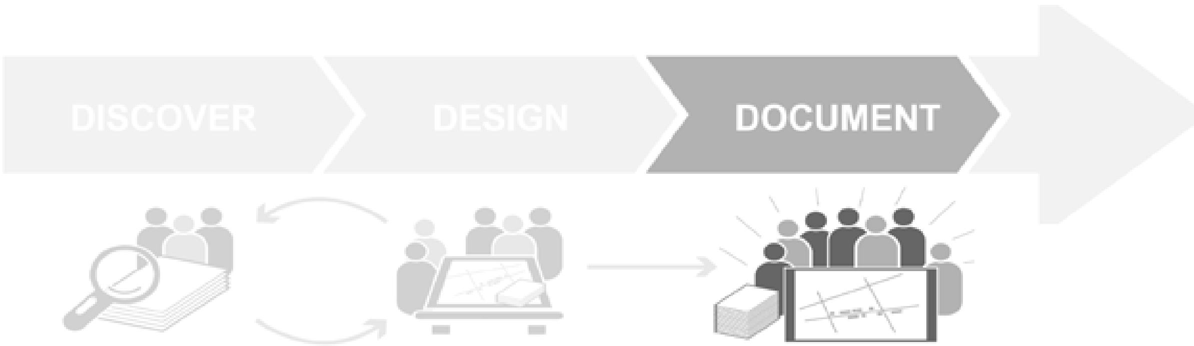
The discussions and design sessions resulted in consensus on the following:

Locations for future public realm civic spaces of two character districts connected by Main Street within the Downtown Wasaga Beach boundaries were established.

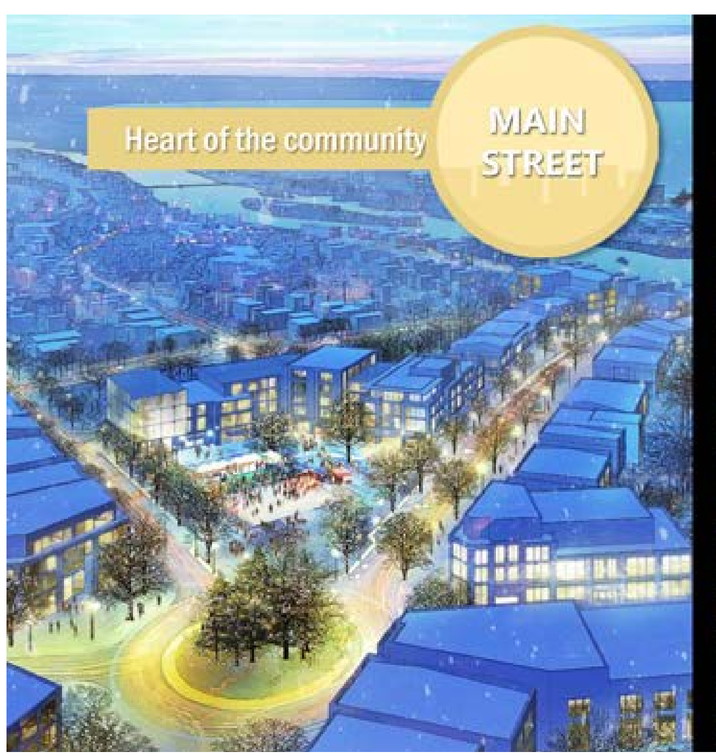
Overall Downtown Master Plan options that reflect and support feasible development options For residential, hospitality, commercial, and retail program mixes as supported by market input.

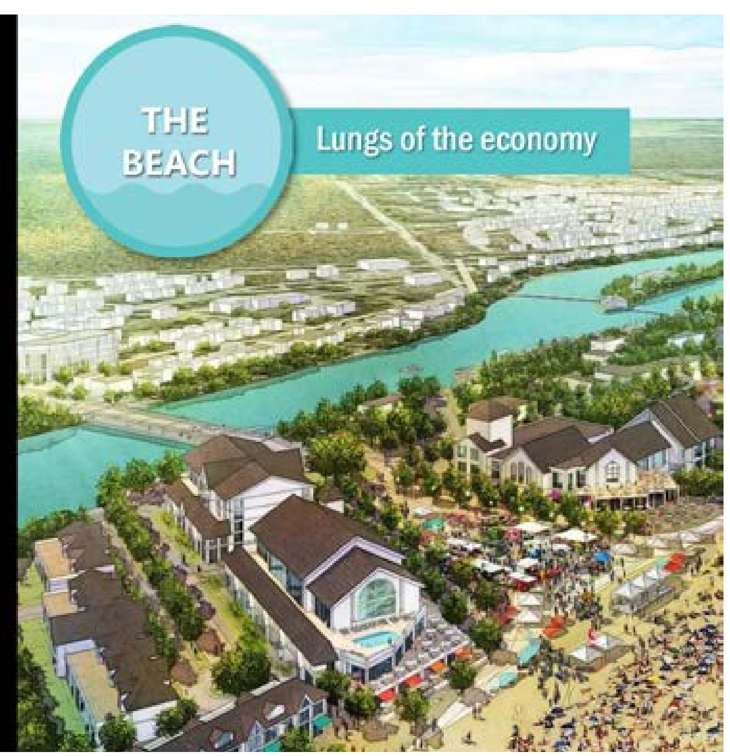
1.5.3 STAGE THREE -DOCUMENT PHASE

IMPLEMENTATION STRATEGY, TACTICS AND INITIATIVES



The final phase in the process was the Document Phase where design options were refined and the public was presented and consulted regarding the final master plan concept. Critical to the entire process is implementation. The team has prepared an action plan that will provide the playbook for the Town to begin to make the DDMP a reality.





02

UNDERSTANDING THE DOWNTOWN

2.1 SITE CONTEXT

WASAGA BEACH REGIONAL CONTEXT

Located on the southern end of Georgian Bay, Wasaga Beach is bordered by pristine beaches, a scenic river and a dramatic sand dune system, all surrounded by acres of natural parkland known as Wasaga Beach Provincial Park. Wasaga Beach is a rapidly growing municipality in Ontario within a 25 minute drive from Blue Mountain Resort, 30 minute drive from Barrie and 1.5 hour drive from Toronto.

Wasaga Beach is strategically located with Canada's largest concentration of people at its doorstep. 348,995 people are located within 50km, 1,052,682 within 100km. As of 2011, there were 104,400,000 same-day and overnight tourists in Ontario. Repositioning Wasaga Beach within this highly competitive tourist market will allow this community to capture a larger share of the tourist market with a specific focus on longer stay visitors that inject more dollars into the local economy. A significant amount of tourism traffic comes from the large population centres of the Greater Toronto Area and Montreal which are located south and east of the Town of Wasaga Beach meaning that Highway 400 is a major vehicular access route. Wasaga Beach is easily accessed by three major roadways. The west end of town is accessed by Highway 26 and Airport Road. The east end of town is accessed by Highway 92 and Highway 26. Each of these roadways connect to the 401 and 400 series highways. Toronto Pearson Airport is located within a 1.5 hour drive and the Collingwood Regional Airport is located on Airport Road, 10 minutes from Wasaga Beach. (Figure 1)

WASAGA BEACH LOCAL CONTEXT

The town of Wasaga Beach has for many years been recognized as being one of the fasted growing communities in Ontario (nearly double the provincial growth rate). The 2016 Census indicates that Wasaga Beach is the 12th fastest growing community in Canada, outside of metropolitan areas and the second fastest growing community in Simcoe County. Wasaga Beach is fortunate to have world-class natural amenities. Its picturesque natural setting has made it a prominent tourism destination in Canada for many decades and its natural amenities (particularly the world's longest freshwater beach) has been the driver of economic growth. While Wasaga Beach has grown rapidly, it has not grown as a complete community. As a result, the community lacks a physical centre or core. In addition, Wasaga Beach has struggled for many decades to strike a sustainable balance between being a complete community for permanent and seasonal residents while also delivering the kinds of experiences that tourists are looking for in today's highly competitive tourism market. Downtown Wasaga Beach is intended to find common ground between the interests and expectations of the permanent and seasonal community while also providing for the needs of visitors. Tourists today are looking for unique and authentic experiences that are reflective of a community's unique character. The brand of Wasaga Beach is in need of re-invention and the catalyst for this rebranding is the creation of a strong economic core. The creation of this plan was informed by a thorough understanding of the existing regional and downtown physical conditions and Town policies. (Figure 2)

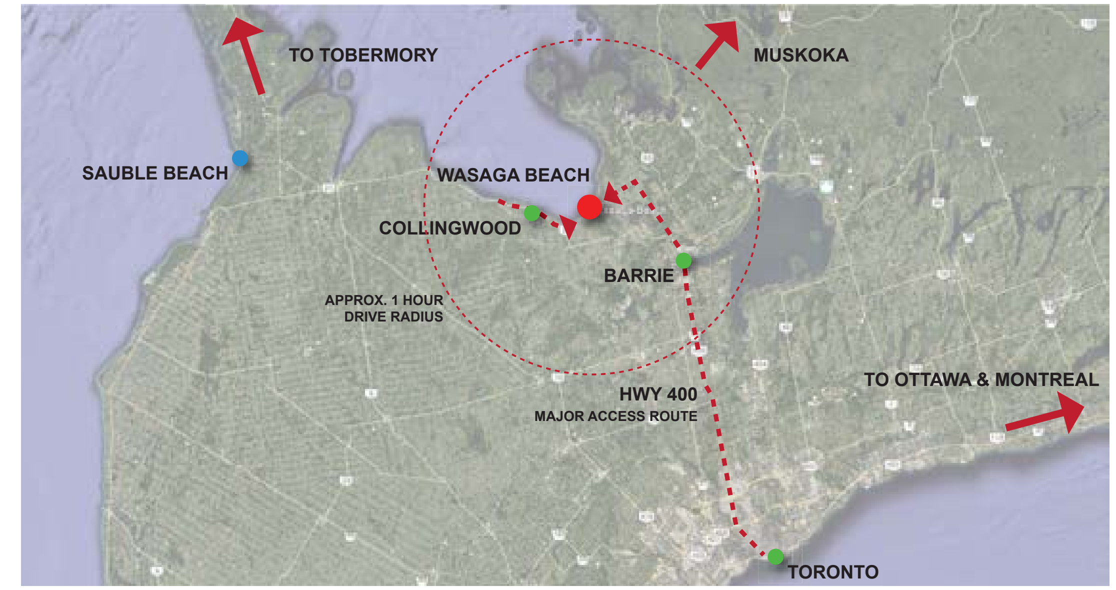


Figure 1: (Source - Google Earth,2016.)

FIGURE 2: The Town of Wasaga Beach is linear in form and wraps around a portion of Nottawasaga Bay, a portion of the greater Georgian Bay. The site study area and main administrative district is located by beaches 1 and 2 near the north end of the overall Town of Wasaga Beach. (Source - Google Earth,2016.)

2.2 DOWNTOWN BOUNDARY

At the December 15, 2015 meeting of Council, following a public engagement process, four potential locations for a downtown were considered. Council approved the location for a new downtown and the Town has already incorporated the new downtown area in the Town's Official Plan (see page 26).

The DDMP study area is bounded generally by Zoo Park Road, River Road West, 6th Street, Beach Drive and River Road East (see figure 2.2.1).

A downtown cannot be derived from a suburban built form. Developing a walkable, urban downtown is critical to re-branding Wasaga Beach as a unique location within Simcoe County that offers a high quality of place that is unique, authentic and memorable. The DDMP identifies opportunities for public/private collaborations starting with public squares as a key area of initial focus. This initial focus will reflect a new look for Wasaga Beach - a pace for young and old, lifestyle-oriented with a focus on food and vibrant streets lined with patios, outdoor merchandising and small merchants with a regional flavour.

The DDMP is designed to promote the continued evolution of a livable, compact, accessible and sustainable downtown for Wasaga Beach, that will enhance the competitive advantage of Wasaga Beach to attract investment and tourist dollars.

Figure 2.2.1 Downtown Boundary

2.3 TOWN-OWNED LAND

The Town of Wasaga Beach is strategically well positioned as a result of the fact that it is a significant landowner in the downtown. In addition to owning parcels of land, the Town owns the majority of the roads and rights-of-ways in the downtown. Short term improvements to streets and boulevards can play a strong role in influencing positive change in downtown Wasaga Beach, assist in re-branding the image of the town and catalyzing investment.

Owning land allows a municipality to control its own destiny and this will pay dividends as the plan unfolds. There may be a need to consolidate some landholdings in the first phase of development, however, the Town is in a position where it can initiate change in the short term on lands it currently owns. The concentration of Town-owned land parcels on the beach front presents an opportunity for the Town to consolidate the land parcels to develop the area. On the other side of the river, the land parcels owned by the Town are more dispersed. The Town-owned parking lot at Main Street and Beck Street provides an opportunity to move forward and create a community/civic focal point in the short term.

2.4 SITE ANALYSIS

- Main street is a key organizing spine, however, today it lacks street enclosure with urban buildings and lacks active grade-related uses;
- Current large blocks, cul-de-sacs and sparse street network provide limited routing options for pedestrians, cyclists, transit and automobiles;
- Downtown lacks a sense of arrival;
- Micro-climate issues such as strong winter winds create challenges pertaining to beach wind erosion and business operations on the beachfront 365 days a year.
- Surface parking lots, particularly the ones under town ownership, are prime redevelopment opportunities;
- Traffic is constrained with the one bridge over the Nottawasaga River, and
- Natural amenities - the beach, river and dunes, are spectacular.

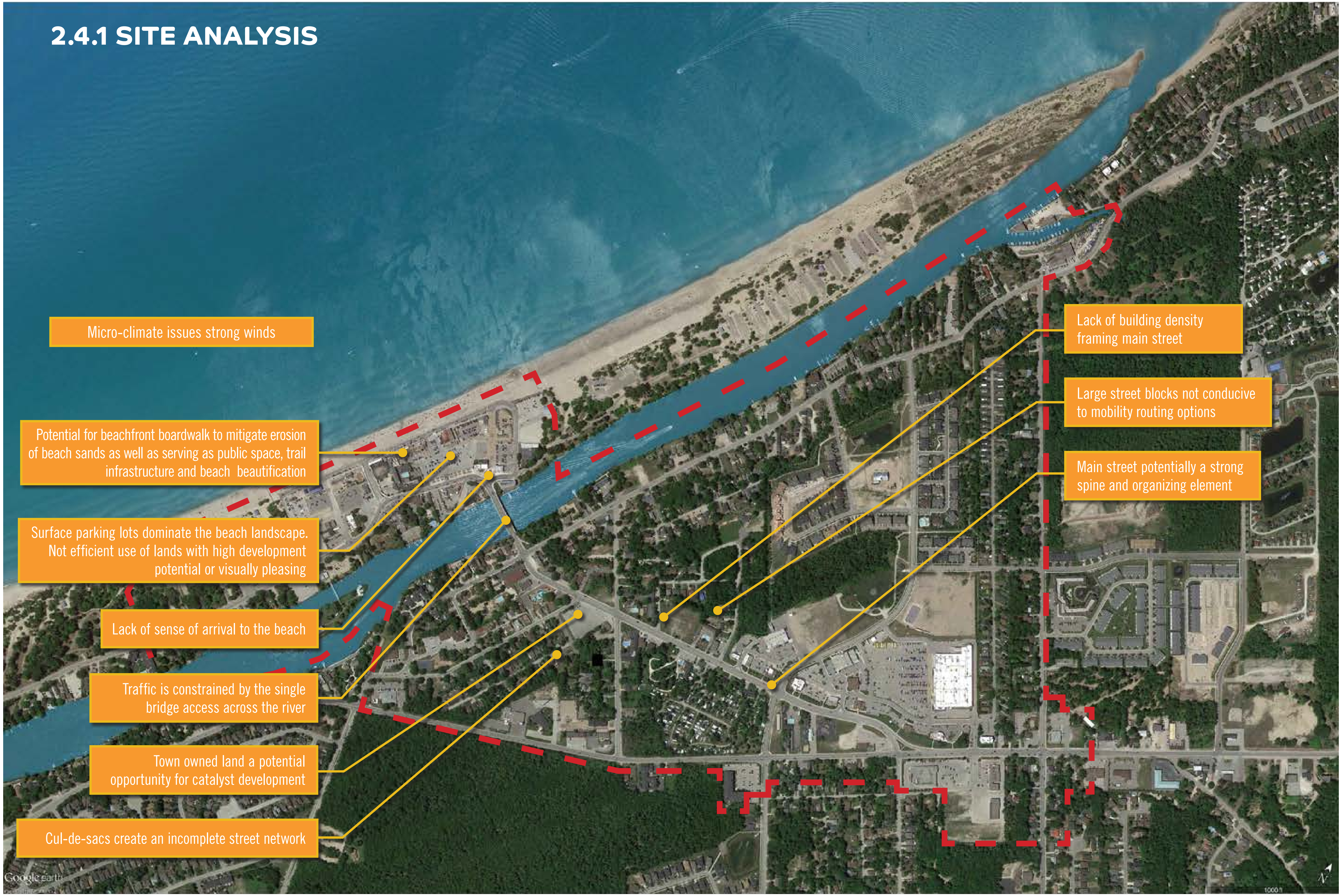
EXISTING BUILT FORM

- Some densification and newer suburban style residential housing stock. Organized with modular / typical designs.
- Older single family residential homes.
- Significant gaps between building facades means a lack of street wall along Main Street Corridor and gaps in activity.
- Lack of consistency or distinct core.
- Suburban style big box retail design with large open surface parking between pedestrian pathways and active facades means a lack of connection to the street.

VIEWS

- Desired views are to the beach and the water.
- However, south of the Nottawasaga River, mature vegetation acts as a visual barrier between the town and the water.
- North of the Nottawasaga River narrow viewsheds are found between buildings.
- Beach Drive has uninterrupted views of the beach and water.

2.4.1 SITE ANALYSIS



2.5 STREET NETWORK AND THE ROLE OF SMALLER BLOCKS

Streets are the skeleton upon which the town can grow. The blocks that the streets form are where development occurs and, together, the streets and buildings create places. The street network creates the blocks and the relationships between the blocks govern the town's potential to succeed economically, socially, and environmentally.

Block size - in a walkable and urban context, the ideal block size should have a block perimeter of between 400 metres and 650 metres or between a 5 and 10 minute walk. Compared to suburban-scaled and rural-scaled blocks, ideal blocks for urban places are relatively small.

The advantages of small urban blocks are as follows:

- **LEGIBILITY -** a well-connected network of streets and small blocks makes a town easy to understand for residents and visitors and allows for easy travel in and between places.
- **ADAPTABILITY -** as building patterns and land economics change over time, small blocks make it easier for a town to adapt to change, in stark contrast to large suburban blocks that can be quite difficult to change.
- **VEHICULAR MOVEMENT -** small blocks create multiple intersections that create diverse routing and turning options for vehicles. This increases vehicular capacity by spreading traffic over multiple intersections.
- **TRAFFIC CALMING -** in urban places, multiple intersections function as traffic calming measures. Intersections require motorists to pay attention, while even and frequent spacing creates an environment where motorists tend to travel at slower and safer speeds.
- **URBAN BUILDINGS -** small blocks encourage urban buildings. That is, buildings that: address the street and contribute positively to the public realm with an engaging street wall for pedestrians. When blocks are too big, buildings tend to behave in an insular manner and do not contribute positively to the street or neighbourhood.
- **PUBLIC SAFETY -** a connected street network benefits emergency response by providing multiple routing options to emergencies.
- **PEDESTRIANS & CYCLISTS -** a connected network with smaller blocks allow pedestrians and cyclists a greater variety of routes.
- **TRANSIT -** transit trips start and end as walking trips. Therefore, a walkable and connected street network allows transit to thrive and allows more flexibility in transit routing options.
- **ON STREET PARKING -** small blocks maximize street frontage and provide more opportunity for on-street parking that is an efficient and cost-effective way of providing parking in an urban space.

2.6 DOWNTOWN STREET NETWORK - EXISTING AND PROPOSED

EXISTING STREET NETWORK

- Sparse network with numerous cul-de-sacs
- Limited routing options for pedestrians,cyclists and vehicles
- Significant gaps in the streetwall between buildings
- Poor relationship between buildings and the street
- Lacks vibrancy and a distinct centre
- Functionally obsolete accommodation - inefficient use of land

PROPOSED STREET NETWORK

- More connected network
- Increased routing options for pedestrians, cyclists and vehicles
- Creates the right skeleton for an urban place to begin to emerge
- More potential for a vibrant, walkable downtown
- In the long term, more options to cross the Nottawasaga River, which will help alleviate congestion
- The centre is well defined.

See Appendix A.1 for more information about the proposed street network.

2.7 TRANSIT

TRANSIT

- Two bus routes (Route 1 and Route 2)
- Both bus routes overlap the Walmart Supercentre near Stonebridge
- As the downtown evolves, thought should be given to the location of a transit hub, perhaps closer to the heart of the new community at Main Street and Beck Streets
- New street network will allow for transit routing options to evolve over time and current gaps in service can be filled in
- A more walkable, compact downtown will mean that transit will likely become more important in the future as people will be able to live in the downtown without owning a car and will become more reliant on transit

2.8 PARKS, OPEN SPACE AND TRAIL NETWORK

DOWNTOWN PARKS

- The DDMP envisions a connected system of parks and open spaces that builds upon existing open spaces and natural amenities.
- Parks and open spaces are connected with a network of pedestrian and bicycle friendly streets and trails.
- The open space system is a critical component of the new downtown fabric and provide for a range of community activities and social uses including both passive and active activities.

TRAILS AND CYCLING

- Downtown Wasaga Beach should be the most pedestrian and cycling friendly area in the entire community
- Next to walking, riding a bicycle to get around the downtown should be a preferred mode of travel
- Two new bridges across the Nottawasaga River will improve connectivity and make it easier to walk and cycle in the downtown
- Multi-use trails, protected bike lanes and shared streets will make for a much improved environment for safe cycling.

2.9 PROTECTED BICYCLE LANES

Existing Main Street

Proposed Main Street Section

Existing Mosley Street

Proposed Mosley Street Section

Existing Beach Drive

Proposed Beach Drive Section

2.10 EXISTING LAND USE

Within the broad policy context of the Provincial Policy Statement, Places to Grow, and the County of Simcoe Official Plan, land use policy for the Town of Wasaga Beach is guided by the Council approved Official Plan. The existing Official Plan policies do not recognize a Downtown district as envisioned in the DDMP. The approved Official Plan has a focus on tourism in the areas of the downtown that are recommended for significant redevelopment in the DDMP. As it stands today, accommodation uses like cabins, motels, and other low-density, tourism oriented uses are encouraged. Development that is supportive of permanent residential development is discouraged or prohibited. Council's intention at the time of adoption in 2003 was clear to support the tourism function by reserving the downtown area for this purpose. The work of the DDMP has clearly illustrated that the town has evolved and that there is a need to reconsider this approach. The need and opportunity to better leverage the natural asset of the beach and dune areas to invigorate the tourism market while at the same time meeting the long term social, cultural, and economic needs of the community has been identified.

The Town's Official Plan was adopted on September 9, 2003. The following observations are noted as they apply to current land use designations within the downtown area and what the result of these policies has yielded:

SEASONALITY

The majority of the lands on the beach front as well as lands along Main Street and River Road East are very seasonal in nature. This means they are highly active and fully occupied during the peak summer tourism season but have low occupancy and relatively low activity during the off-peak tourism season. Most businesses on the beach front close in the off-season. This seasonality is not consistent with the vision to create a year-round downtown and this is the result of policies that promoted seasonal tourism uses at the expense of more permanent land uses.

INCONSPICUOUS CIVIC USES

The main civic functions in the town, the town hall, library, OPP Station and Fire Station are all located within the downtown boundary; however, they are separated and somewhat hidden. Civic uses are major drivers of activity and are often located at the heart of a community's downtown.

PARKS AND OPEN SPACE

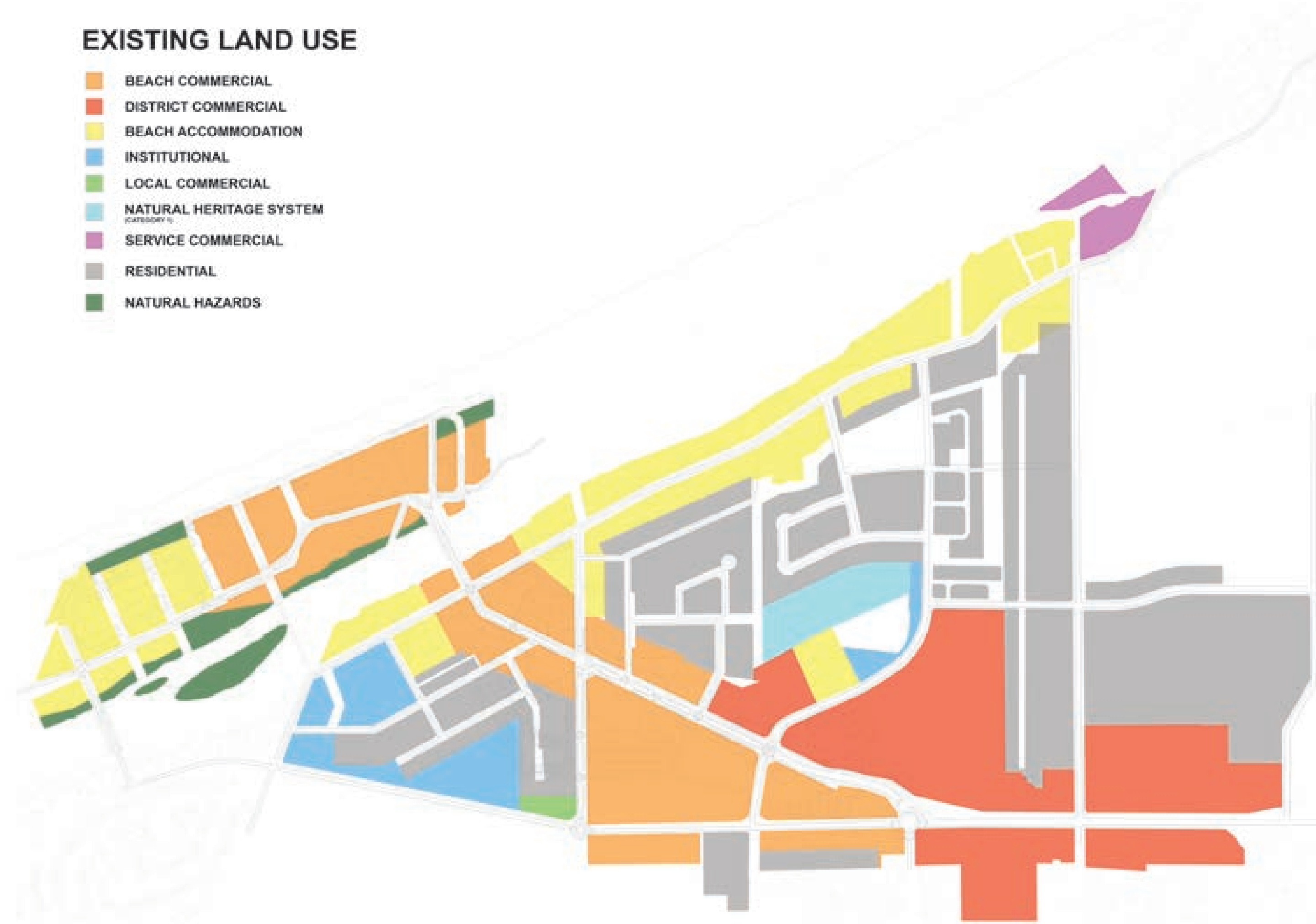
Downtown Wasaga Beach is blessed with some incredible natural amenities: the world's longest freshwater beach, the picturesque Nottawasaga River and the amenities of the provincial park, including Nancy Island and the dunes. Connectivity between these natural amenities does; however, need to be improved.

LOW DENSITY RESIDENTIAL

Much of the downtown is characterized by low density residential homes. A downtown should have a higher diversity and density of housing options particularly in a mixed-use typology.

SUBURBAN RETAIL

Retail/commercial uses that are non-seasonal in nature are found in the downtown in either strip plaza or big box retail formats. This means that the current downtown is dominated by automobile use and is unfriendly to pedestrians.



Land use designations, Town of Wasaga Beach Official Plan (2003)

2.11 PROPOSED LAND USE STRATEGY

In order to support the goals and principles of the master plan (outlined in chapters 4 and 5 of this report), the team has recommended changes to the existing patterns of land use. The proposed land use strategy will guide updates to the Wasaga Beach Official Plan.

2.12 RESIDENTIAL MARKET CONTEXT

The Town of Wasaga Beach has experienced strong growth between 1996 to 2016 more than doubling in population from 8,698 persons in 1996 to 20,675 persons in 2016. In 2016, Wasaga Beach is the 12th fastest growing community in Canada outside urban census metropolitan areas.

Housing growth has largely been focused on the periphery of the town, dominated by low-density housing types including detached homes and townhomes. Only recently has new investment begun to emerge in the form of bungalow and traditional townhomes at Stonebridge in the downtown area. While these projects are modest in scale, they provide market evidence that there is demand to live in more compact housing forms providing they offer walkable access to commercial and public amenities. This form of development is responding directly to the demands of the marketplace and is instructive when considering how the factors discussed next in our report can leverage towards the development of an exciting new downtown.

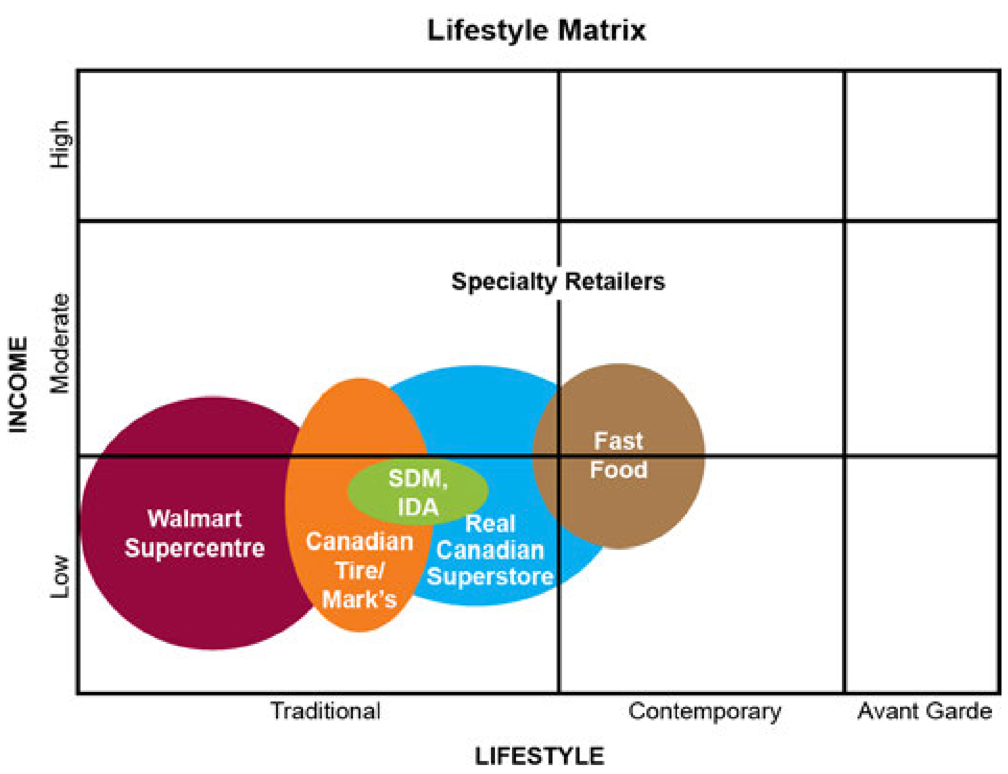
Statistics Canada tells us much about the nature of the historical growth in Wasaga Beach. While details of the 2016 census were not published at the time of the preparation of this report, we know several key characteristics of its population from previous census data and observational research:

- Wasaga Beach has become a very appealing destination for retirees who are attracted to affordable housing options, a good range of amenities, and a safe community. Between the2006 and 2011 Censuses, the age groups which increased by the highest percentage and total number of residents were aged 55 to 64 (+510 people, +20%), 65 to 79 (+1,035 people, +32%),and 80 and up (+325 people, +61%). It is likely that these figures will increase in the 2016 Census.
- Incomes have increased, but not fast enough. Despite record low interest rates, incomes have not kept pace with home prices. The average household income in Wasaga Beach increased by7.4% between 2006 ($61,676) and 2011 ($66,250), while the average value of a single-detached home increased by 23.7% over the same time period. Housing pricing has only continued to grow in the subsequent years since the 2011 Census, and though 2016 income data is not yet available, it is expected that income growth has been muted compared to housing price growth
- Working age people are leaving the community. Young people within their first years of working are leaving the community to seek broader opportunities for jobs and socialization in larger centres. This is a natural phenomenon in towns the size of Wasaga Beach but is nevertheless a concern as a good mix of residents of all ages is a healthy measure of any community.
- The size of households are declining. This is a phenomenon that has been happening in many communities, regardless of size or mix of residents, as a result of aging populations, later family formation, and lower birth rates. In the case of Wasaga Beach household sizes are expected to continue to decline. The most recent Development Charges Background Study from Hemson Consulting anticipates that household sizes will decline to 2.2 persons per household by 2031.
- Households with children are declining as a percentage of total households. In the 2001 Census, approximately 45% of the town's families contained children. That value decreased to fewer than 43% in 2006 and then 41% in 2011. This is in part a result of the fact that Wasaga Beach does not have a high school. It should be noted; however, that Wasaga Beach is one of the few communities in Simcoe County that is seeing positive growth in the 0-19 age cohort which is a positive sign for the future.
- Much of the historical commercial tourism accommodation is now being used as affordable rental housing in the off-peak seasons. While Wasaga Beach is affordable relative to many other nearby communities, there is a lack of affordable rental housing, as well as market-rate rental housing. As such, in the non-summer months, many rooms in the older accommodations located throughout Wasaga Beach are used as affordable rental units.
- The stock of tourism accommodation is eroding quickly and not positioned to attract modern demand. The quality of much of the accommodation options in Wasaga Beach has become poor as it has aged which has led to a segment of the tourist population that seeks higher-quality, modern accommodations to be unserved.
- Demand in the resale market for beachfront homes from both seasonal and permanent residents is still strong. This will spur some demand for new housing in the Main End.

2.13 RETAIL MARKET CONTEXT

Existing retail conditions in Wasaga Beach is partly affected by the physical circumstances of the town. The town of Wasaga Beach is linear in its form wrapping around a portion of Nottawasaga Bay. Without a residential central core there is a lack of density to support a downtown or retail district. The residential density is needed to provide the foot traffic which would support downtown businesses.

At present the retail market is over saturated with large format retail and strip plazas. There is a gap in the retail coverage pertaining to specialty gifts, specialty apparel and middle to upper income products.



One can observe that there is limited supply of middle and upper-middle income products. This reflects the local population and the competitive situation from Collingwood and Barrie.

For more information about the retail market context, see Appendix B.2

Commodity	Expenditure per Capita	Capture Rate Est.	Demand	Store Productivity (per sq. ft.)	Warranted Space (sq. ft.)	Existing Space (sq. ft.)	Shortage/ Surplus
Apparel, shoes, etc.	$1,415	50%	$13,751	$300	45,837	100,000	-50,000
Grocery, health	$2,762	90%	$48,306	$500	96,600	120,000	-23,000
Building, garden	$294	80%	$4,573	$250	18,295	95,000	-76,000
Home, electronics	$686	30%	$4,002	$300	13,330	10,000	-3,000
Sports, hobby	$484	30%	2,824	$300	9,413	20,000	-10,000
Total							**-162,000**

The market is over saturated. (See Table above.)

2.14 HOSPITALITY MARKET CONTEXT

WASAGA BEACH VISITOR MARKET

Despite a lack of tourism visitation and volume data at the granular level for the town of Wasaga Beach, available data on the number of visits made to Wasaga Beach Provincial Park provides an indicator of visitation to the town. Visitation has been calculated based on an analysis of Provincial Park parking permits sold, which assumes that there are 4 persons within every vehicle parked. Based on aerial photographs and counts, the Park assumes that for each person visiting the Provincial Park (4 per vehicle) there are another 5 persons on the beach. As a result of these assumptions, visitation to Wasaga Beach is expected to reach 1.8 million visitors in 2016, a 7% increase over prior year results and a growth of 665,000 visits since 2014. Visitation to the Park is heavily influenced by weather conditions, with the past 2 years enjoying excellent summer temperatures and modest rain. On a busy weekend during the summer, Wasaga Beach attracts an estimated 30,000 to 40,000 visitors.

- The accommodation inventory within the town of Wasaga Beach is largely comprised of relatively dated cottage cabin courts, motels and campgrounds.
- The core attraction in Wasaga Beach is the 14 km sand beach.
- Wasaga hosted approximately 27 events from May to September 2016.
- There are a variety of supporting attractions in town, however, many function on a seasonal basis and present limited appeal for tourists
- Limited inventory of food and beverage establishments
- Significant network of community trails

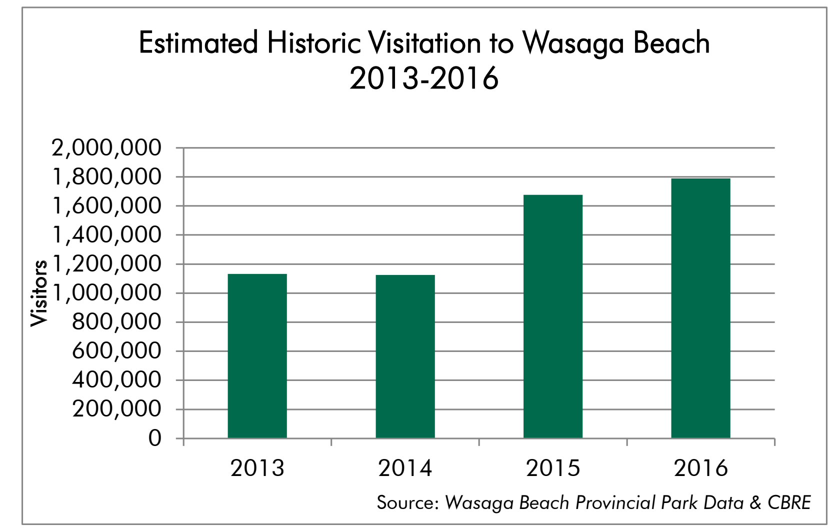
The town of Wasaga Beach is a highly seasonal resort community with significant potential; however, the average household income is over 17% below the national average, and the town is currently perceived to be an "economy destination" from a tourism standpoint. The majority of visitors come from the GTA, followed by central Ontario and the southwestern Ontario. Key challenges for the community from a destination perspective include: seasonality, lack of alternative attractions over and above the beach, transportation/traffic congestion, quality of accommodation and foodservice offerings, and minimal levels of sustainable development.

Although the town has seen recent growth in visitation levels as a result of excellent summer weather conditions, beyond the natural offerings of the Beach and Provincial Park, tourism attractions are limited, seasonal and provide limited appeal for visitors. With an aging accommodation inventory, a lack of branded foodservice offerings, and limited attractions, the Town loses much of its potential overnight demand to nearby areas such as Collingwood and Blue Mountain.

Estimated Visitation to Wasaga Beach Provincial Park 2013 to 2016

Year	Provincial Park Daily Permits Sold	At 4 Persons Per Vehicle	Additional Wasaga Beach Visitation, based on 5 persons per person parked	Total Wasaga Beach Visitation	% Change
2013	45,658	182,632	948,851	1,131,483	
2014	45,197	180,788	944,750	1,125,538	-1%
2015	68,958	275,832	1,401,216	1,677,048	49%
2016	74,600	298,400	1,492,000	1,790,400	7%

Source: Ministry of Natural Resources, Wasaga Beach Provincial Park



WASAGA BEACH TOURISM INVENTORY - 2016

Type	Number of Properties	Rooms / Sites / Slips
Permanent Motels / Cottages	61	579
Seasonal Motels / Cottages	53	468
Total Motels / Cottages	114	1,047
Permanent Campgrounds	1	149
Seasonal Campgrounds	6	1,045
Total Campgrounds	7	1,194
Permanent Marinas	1	80
Seasonal Marinas	1	25
Total Marinas	2	105

Source: Town of Wasaga Beach

For more information about the hospitality market context, see Appendix B.1

03

MARKET-BASED STRATEGY

3.1 S.W.O.T. ANALYSIS

The following strengths, weaknesses, opportunities and threats analysis research is a broad look at some of the key considerations that will contribute to the successful implementation of the DDMP and influence the growth of the downtown. The study offers competitive advantages that the town of Wasaga Beach currently has within the regional market as well as a list of potential challenges to help inform redevelopment efforts and maximize success into the future.

STRENGTHS

WORLD CLASS NATURAL ASSETS

Wasaga Beach is the home to the world's longest freshwater beach that offers scenic views to Georgian Bay and shallow warm water ideal for summer swimming and water sports. Wasaga Beach Provincial Park also provides environmental protection for the Beach and other natural areas covering an area of 6.8 hectares. Features include a significant network of active-living community trails for biking, hiking, snowshoeing and skiing, spanning more than 100 kilometres. The Nottawasaga River is also ideal for shallow water boating and recreational canoeing, paddle boarding, etc.

REGIONAL SUCCESS

Strategically well positioned geographically within Simcoe County, Wasaga Beach is close to major neighbouring commuter population centres (i.e. Barrie, Collingwood) and within proximity to the Greater Toronto Area (90 minutes). Wasaga Beach is an affordable housing market in relation to the GTA and this has been an important driver of population growth in Wasaga Beach. Overall, Wasaga Beach has experienced day-use tourism visitation growth in the past 2 years, which is projected to continue to grow with the implementation of the Downtown Master Plan.

MODERATE ECONOMIC GROWTH

Wasaga Beach is a fast growing community with a growth rate projected to be double the provincial average by 2031. The town has a current healthy permanent population base of approximately 21,000 residents with expected modest residential and economic growth within the region to continue incrementally. The town's year-round population, combined with strong summer seasonal-resident and tourists supports the town's retail and commercial base. Big Box retail offerings have dramatically decreased economic leakage from Wasaga Beach to neighbouring municipalities and fulfill much of the daily needs of the residents and tourists.

ENGAGED COMMUNITY

A highly engaged community of residents is passionate and proactive about working towards repositioning Wasaga Beach into a more sustainable future. Strong volunteerism is evident in community events such as the Wasaga Beach Blues Festival, which is now in its 6th year, solely operated by a volunteer committee. While the majority of population growth has been in the over 55 age group, Wasaga Beach is also seeing growth in the 0-19 age group; out-pacing neighbouring towns. Ultimately this points to a future with a more balanced population demographic engaged with a mix of creative entrepreneurs (i.e. more local, authentic businesses that the town can build upon to create a unique niche in the tourism market).

LAND OWNERSHIP

Currently the Town of Wasaga Beach owns a number of land parcels at Beach Areas 1 and 2. The concentration of town owned land parcels on the beach front present an opportunity for the town to consolidate the land parcels to develop the beach area. In addition, the Town owns strategic lands along main Street where there is an opportunity to initiate a community/civic focal point that can act as a catalyst for private development.

MALLEABLE URBAN FORM

The current streetscape along Main Street is quite malleable and adaptive to development rezoning. Paired with new planning polices that encourage mixed use development downtown, the private development community recognizes the potential of establishing new rental housing, residential, and commercial retail markets that are not currently offered. Recent medium density residential development supports the notion that Wasaga Beach is a viable market for higher density housing products.

WEAKNESSES

DEGRADATION

Overall, the majority of the downtown area of Wasaga Beach is currently experiencing a steady state of degradation. There have been several studies to spur development in the town of Wasaga Beach but have dissolved over time. Upon entering the town, there is lack of a Wasaga community or brand presence that proclaims arrival to the host of the world's longest freshwater beach. Currently the Main End is underdeveloped, with limited amenities and nightlife offerings for beach goers and residents. Much of the land along the beach is being underutilized as seasonal surface parking. A majority of the existing built form inventory and properties along Main Street are uncoordinated and not worthy of adaptive reuse, as they are at the end of their lifespan. Quality civic community assets, such as educational and recreational facilities, are either located away from Main Street and Beach area access or are not within the town of Wasaga Beach. Dated civic facilities are also in need of renovation and/or expansion.

SEASONALITY

Degradation is a result of the seasonality of the Town's economy and the overall historical mentality towards living in Wasaga Beach. The main industry of Wasaga Beach is the tourism market, which declines significantly at the end of the summer season and during imperfect weather. Visitation to the town peaked in 2001, 2002, with 2 to 2.3 Million visitors, and has seen a steady decline over the past decade to a low of 1.1 Million in 2013 and 2014. Factoring in a lack of competitive family friendly attractions, accommodations, retail and food services, Wasaga Beach suffers from limited year-round activity. Given that most tourist activity is centered on the Main End beach side, pedestrian foot traffic required to develop Main Street needs to increase to support businesses on a year round basis.

REGIONAL COMPETITION

Nearby Collingwood forms an important market competitor drawing potential growth and investment due to a wide range of amenities and attractions. A majority of overnight accommodation options are in the town of Collingwood, which captures the spending of tourists and visitors instead of Wasaga Beach. Collingwood, with a more refined reputation and brand, also offers upscale retirement living and amenities that Wasaga Beach does not offer.

MONOCULTURE DEMOGRAPHICS

Although growth in Wasaga Beach is projected to be modest, it may not provide enough mixed demographic growth to create the critical mass to attract and maintain the population required to sustain a new downtown of retail and service functions. Particularly given the population growth that occurs, there is evidence that many of these residents are seniors and retirees who may also have second homes elsewhere – thus limiting spending in Wasaga Beach. As such, current residential demand is primarily for affordable, detached homes that for the most part, are beyond convenient walking distances to the downtown. Based on best professional practice and numerous case studies, the success of a new downtown will rely on a critical mass of mixed demographics living and working near the beach.

OVERSATURATED RETAIL

The Large Format Big Box retail offerings are competitive and are already oversaturating the commercial retail market for existing consumers in Wasaga Beach and Collingwood. Seniors, relative to other demographic groups, spend less in retail uses. This has resulted in a consistent retail market that is small with low spending power and in constant competition during the short annual tourist season.

PARTY TOWN STIGMA

The market perception of the beach area is of a young party place for day-use and weekend visitors. As such, the overnight accommodation market is currently skewed to budget travelers that accept dated and mid to low quality accommodation products (i.e. cottage courts, housekeeping units, motels, campgrounds). With limited re-investment in these budget accommodation products, the stock for overnight stay options has not improved. Furthermore, as a result of the relative affordability of the low density and townhome market away from the beach areas has undermined the demand for higher density apartments and other new developments closer to the beach side.

TRAFFIC AND ACCESSIBILITY

During the peak summer months, there has historically been traffic congestion that is, in large part, the result of the sparse road network that currently exists in the town. There are limited access routes to the beach. In the long term, additional access points across the Nottawasaga River that connect the mainland to the beach will be required.

OPPORTUNITIES

REBRANDING WASAGA BEACH
The creation of a downtown presents an opportunity to rebrand Wasaga Beach. Throughout the DDMP study, the community's enthusiasm towards the creation of a new downtown showcases the optimistic perspective that residents have for the future of Wasaga Beach. A focused marketing and tourism campaign initiative may also provide better exposure to the existing assets in Wasaga Beach that are not as well known to new visitors. With an increased 'buzz' in the downtown, it may assist in spurring on real estate development and rentals for both residential and commercial properties.

ACTIVE LIVING LIFESTYLE
Downtown Wasaga Beach cannot be derived from a suburban built form. Developing a walkable, urban downtown is critical to the creation of a unique downtown with a high quality-of-place. Building upon its natural assets, Wasaga Beach has an opportunity to establish itself as a leader in the province as a community that has repositioned itself from a suburban, auto-centric place to a community that has a downtown that is walkable, healthy and vibrant. Embracing active living and translating that into the physical infrastructure of the downtown – walkable streets, abundant trails, etc., will not only assist in continuing to attract in-migration to the town, but it will also become a key quality that employers are seeking when they are determining where to locate their businesses. Embracing active living is a key economic development tool and will become an economic advantage for the town.

MAKE WASAGA FUN AGAIN
Historically, the Main End was a place for family fun with an abundance of activities and amusements for all. Beyond the beach itself, Wasaga Beach has lost most of what attracted people to the community in the first place – it has become a place like any other. Wasaga Beach has an opportunity to recapture the essence of what made it great in the first place and bring back family fun as a key economic differentiator and competitive advantage. In today's highly competitive tourism economy this is a strength that Wasaga Beach should capitalize upon.

MAXIMIZING REGIONAL TOURISM
While Wasaga Beach is in a fortunate position to have the world's longest freshwater beach, the beach and other natural assets are not enough on their own to sustain a year-round tourism economy. Wasaga needs to plan for the rainy days, the shoulder season and the off-peak season. Delivering a downtown that provides for a unique, authentic and fun experience will allow Wasaga Beach to improve its tourism offering and thereby expand the tourism economy of the town. The Village at Blue is an excellent example of how quality of place and a unique product offering can help diversify a seasonal economy. Delivering a similar quality of place in Wasaga Beach will help grow the regional tourism economy and will benefit not only Wasaga Beach but also its neighbours.

CATALYST FOR CRITICAL MASS
The trend for Boomers and Zoomers is to downsize their physical living space in exchange for upgrading their lifestyle. Whether investors, end users or seasonal residents, there is a strong market for lifestyle product offerings in the province and the town has the ability to deliver this on the world's longest freshwater beach – a rather unique product offering. The majority of the lands within downtown Wasaga Beach are ready for redevelopment. A critical mass of mixed-use density is required to enable downtown to be a vibrant 365 day a year place. The Town is strategically well-positioned as a result of its landholdings to drive the creation of the critical mass.

COMMUNITY HUB
A community hub (or anchor) can act as a major driver of foot traffic in a downtown. Wasaga Beach is in need of some new civic uses – an arena, a library, an art and cultural centre and a high school. Having some or all of these uses located in the downtown will help downtown to become a more vibrant place and provide an opportunity to catalyze other retail and commercial businesses. Downtowns are about creating synergies and a community hub can be a catalyst to numerous economic and social synergies that will help deliver a unique and authentic place.

FOUR SEASON ACTIVATION
Wasaga Beach has stepped up its game with respect to summer programming. Four season communities require fours season programming and activation. The opportunity exists for Wasaga Beach to develop a brand around special events but it is important to understand what that brand should be and reinforce it with targeted events. This can help support the viability of new accommodations and complement other efforts such as a sports tourism strategy that can grow an economy around a new community hub.

MARKET APPEAL
The beach and western exposure are an important and compelling real estate attraction that has yet to be capitalized on from a development perspective. Pairing residential development with destination retail, commercial and other civic and entertainment uses is the key opportunity for Wasaga Beach. The beach is a strategic advantage that Wasaga Beach has over virtually every other community in the province – it's time to capitalize upon it.

QUALITY GUEST EXPERIENCE
Wasaga Beach is dependent upon tourism – it is the one and only industry in town. To succeed in tourism, it is critical to understand the importance of a quality guest experience. Developing a new downtown is not enough; the town must also create a quality product offering and guest experience that reinforces a new beach brand.

THREATS

BEACH EROSION AND MAINTENANCE

The natural erosion of the beach, sediment and erosion of the river as well as flood risk mitigation due to climate change and ice will prove to be an ongoing maintenance issue. The beach is the jewel of the local economy and it needs to be maintained in a pristine condition otherwise it will undermine the success of the tourism economy. In addition, protection of natural wildlife habitats needs to be balanced against the economic objectives of the town.

PARASITIC DEVELOPMENT

Implementation of the DDMP can be extremely difficult. Without a coordinated effort – led by the Town, it is highly likely that development may occur in a sporadic manner and the synergies required to create a great place will not materialize. This is not only important on the beachfront, but also on the mainland where the Town is not a significant land owner.

MAINTAINING MOMENTUM

The Town has momentum going for it and this momentum needs to continue. Delays that result from regulatory approvals and/or non-commitment to the plan can undermine its successful implementation.

VICTIM OF ITS OWN SUCCESS

There is always the potential that implementation of the DDMP will become so successful that it will overwhelm the community and the resources of the Town. Given that the Town is the major landowner at the beachfront it is in a position to better manage this scenario; however, this is an issue that should be carefully monitored to ensure that infrastructure investments are made in a timely manner to keep pace with private development.

REGIONAL MARKET POSITIONING AND COMPETITION

Regional competition for tourists and for investment is fierce. While Wasaga Beach works to implement the DDMP, other communities will be working equally hard to attract investment to their communities. This is why it is so important for Wasaga Beach to play to its strengths and deliver a quality product offering that is unique within the regional market and delivers an end user experience that cannot be delivered elsewhere.

3.2 STRATEGIC POSITIONING AND END-USER TARGET MARKET

RESIDENTS

In addition to the natural setting, the affordability of the Wasaga Beach residential market is what is likely to be the main attractor for end-users. Compared to surrounding communities like Collingwood and the Blue Mountains to the west, and the GTA to the south, new and resale housing is quite affordable.

A wide range of end-users seek affordability when making home purchasing decisions. This includes families seeking a large enough space to grow into, and seniors seeking an affordable housing option as they transition into retirement which could allow them to redeploy some of their equity into retirement savings.

A mix of housing types will be needed in order to attract a variety of end-users. In the downtown, a mix of new apartments and townhouses could provide an affordable alternative to the single-detached homes that are being built away from the downtown area.

Wasaga Beach's resident population will also be a key end-user target market for the re-developed beach area and hospitality market. Based on CBRE research and analysis, the top lifestyle types in Wasaga Beach by population include segments largely comprised of middle-aged and older residents, many of whom are empty-nesters. A significant proportion of Wasaga's population is comprised of retired individuals, who typically tend to enjoy the great outdoors, gardening and cultural activities in their free time - they are seeking an active lifestyle.

TOURISTS

The town is looking to attract growing families and young couples. As such, there must be hospitality and tourism related offerings that appeal to potential new residents. According to CBRE research, younger families living in smaller towns around Ontario tend to enjoy simple pleasures and leisure pursuits involving the great outdoors (i.e., fishing, boating, hiking, camping and cycling), or attending exhibitions related to their leisure pursuits (e.g., craft, book and motorcycle shows). Travel for rural-based young families often involves cottages, hotels and campgrounds, but also includes family-oriented attractions like theme parks and waterparks.

Wasaga Beach has historically attracted younger tourists and families in the summer months, and can continue to draw this crowd by following trends and providing these visitors with what they want. Young people are living more structured lives, and as opposed to spontaneous travel, this generation is taking more organized, planned and researched trips. Young travelers also tend to be very aware of how their travel will contribute to the rest of their lives, and when they travel, they want to enjoy the culture of the community they are visiting. As for young families traveling to the area from urban centres like the GTA, the main leisure activities tend to include kid-friendly destinations (e.g., zoos, theme parks, waterparks) and exhibitions featuring pop culture, pets, cars and boats. The concept of an open air event / entertainment area that features local culture and food service would be very attractive to younger travelers, i.e. millennials, while an entertainment zone with theme park and exhibition area would be appealing to young urban families traveling to Wasaga Beach.

3.3 MARKET-BASED STRATEGIES

THE FOLLOWING ARE KEY RECOMMENDATIONS OF THE DDMP PERTAINING TO THE RESIDENTIAL, RETAIL AND HOSPITALITY MARKETS:

RESIDENTIAL MARKET

- Invest in public realm improvements to create attractive, interesting and walkable neighbourhoods to attract residents to live, work and play in the downtown.
- Create a resident focused downtown; however don't neglect the beach as it is critical to the economy of the town - ensure synergies.
- Ensure that new development, particularly that which will be part of the new accommodation stock, is of a high quality to foster longer stays.
- Develop downtown residential in close proximity to retail, commercial and services and separate from the intense beach activity to cater to residents.
- Offer a wider range of units in the form of apartments and town houses that will appeal to a broader range of community members and smaller households.

RETAIL MARKET

- Create pedestrian traffic through public realm improvements and community activities.
- Create retail diversity to fill different and diverse needs negating reasons for shoppers to go elsewhere.
- Develop a Wasaga Beach retail brand through specialty and unique shops to take advantage of the large market (2 million visitors) and fill in gaps of retail not serviced by big box stores.
- Create a central business area where shops are situated side by side to create retail density and identity.
- Start with small, intimate and unique shops to create a retail destination
- Create mixed-use development with ground floor retail space, and upper residential and commercial spaces to create pedestrian traffic to support businesses.

HOSPITALITY MARKET

- Upgrade existing accommodation stock
- Leverage and enhance all of the town's natural assets (including the trails and dunes)
- Increase the offering of attractions and activities in order to:
- Create a more "Dependable Destination"
- Extend the season of visitation
- Change the target market
- Seek partnerships or financing strategies to mitigate risk and enhance development appeal for accommodation or entertainment projects

"In a Society becoming steadily more privatized with private homes, cars, computers, offices and shopping centers, the public component of our lives is disappearing. It is more and more important to make cities inviting, so we can meet our fellow citizens face to face and experience directly through our senses. Public life in good quality public spaces is an important part of a democratic life and a full life".

Jan Gehl

04

BEST PRACTICE AND DESIGN

4.1 GOALS

A vibrant and successful downtown is essential to an enhanced quality of life and improved economic competitiveness for Wasaga Beach. The town has several strengths and opportunities that it can build upon to realize this new civic and economic heart. At their most basic level, towns and cities were created to facilitate social and economic exchange. To facilitate social and economic exchange one needs access - access to people and access to goods and services. Of all the areas within the town of Wasaga Beach where access should be the greatest, it is within the downtown.

Successful downtowns have; however, become more complex, resulting from numerous social, economic and environmental influences. While the DDMP intends to build upon the unique character and strengths of Wasaga Beach, and its residents desires for the future, there are several qualities that great downtowns share that Wasaga Beach can learn from.

These qualities can be seen as the summary of the goals for Downtown Wasaga Beach.

Achieving these goals requires the coordinated actions of many different individuals, stakeholders, public sector groups and private interests, over an extended period of time. In order to communicate these goals to such a diverse audience, it is then useful to first define several principles to guide the evolution of the downtown.

GOALS FOR WASAGA BEACH:

- *A concentration of people who would like to live in, or can conveniently access, the downtown*
- *A critical mass of retail, service and civic attractors*
- *Mobility options (with an emphasis on walkability), supported by a functional street network and plentiful parking*
- *Parks, open spaces and leisure opportunities to pursue both passive and active recreational opportunities*
- *Memorable gateways and functional wayfinding*
- *A unique identity and brand that is reinforced with programming to activate the downtown*
- *A focus on sustainability and celebration of natural assets*

4.2 MASTER PLAN PRINCIPLES

THE DDMP PROCESS HAS DEFINED A SET OF SIX GUIDING PRINCIPLES THAT DRIVE THE PLAN, FUTURE POLICY DECISIONS AND IMPLEMENTATION STRATEGIES.

1 BUILD MULTI-MODAL

A successful, vibrant and active downtown will have to support and rely on a range of transportation modes including walking, cycling, transit and the car. This means that the Town should:

- Design streets to encourage walking and cycling
- Encourage connected streets and short blocks to provide multiple routing options in the downtown;
- Adopt parking strategies that support urban design excellence and foster economic growth; and
- Promote development patterns that put jobs, housing, and services within a walking distance of each other - maximize short trips versus long trips.

2 CREATE AN URBAN PLACE

A density of people living, working, playing, shopping and serving their daily needs is the very essence of a downtown and the social, economic and health benefits of this density are well-documented. Historic development patterns have trended away from urban density, but this trend is being reversed with a renewed appreciation for the benefits of well-planned downtown living. Density is not simply about allowing tall buildings, but about encouraging a beneficial mix of uses, promoting more efficient use of land, and discouraging development forms that have unforeseen negative impacts (e.g. strip malls with vast seas of parking). The master plan sets out the approach to densifying the downtown in a strategic and appealing way.

3 ESTABLISH A FOCUS

Downtown Wasaga Beach is a large geographic area. It is too large to start everywhere. To realize a critical mass of development that can have a positive influence on rebranding Wasaga Beach in the short term, it is critical to focus the resources of the Town and of the private sector in a small geographic area. The initial area of focus should be between the two new public squares. Development between and adjacent to these two squares and along Main Street that links these two squares should provide a vibrant example of the potential for downtown. This area should be the focus for any economic incentives to see development happen sooner rather than later.

4 FOCUS ON PROGRAMMING AND ACTIVATION

People are drawn to opportunities for human interaction, whether for large celebrations or chance encounters during daily errands. These congregations of people promote civic attachment and are also good for business, drawing people to the downtown core. For a tourist-driven economy, a lively atmosphere is key to the appeal of the destination. However, it can be difficult to achieve a sense of activity with a small permanent population. The master plan for Wasaga Beach designates key places for civic gatherings while concentrating development and commerce for maximum interaction.

5 CREATE A PREDICTABLE DEVELOPMENT FRAMEWORK

The current development policy framework should be updated to clearly convey the goals of the DDMP to the development community. It is essential that the DDMP be used to inform the creation of a new coordinated planning framework that will result in a more vibrant downtown. The plan will not be built all at once but rather incrementally. The policy framework must clearly identify future streets, parks and intended land uses as well as design intent to provide proper guidance to the development community.

6 ENSURE THE PLAN IS FEASIBLE

The master plan is only useful if it is feasible. Therefore in addition to visionary ideas, another vital component of the plan is the presentation of opportunities and constraints. The consultant team draws on industry best practice and careful analysis of the existing conditions (both physical and market) to assess and describe the realism of the proposals and the challenges involved in their implementation such that the community may prioritize and evaluate the many choices necessary to bring the vision to reality.

4.3 MASTER PLAN BUILDING BLOCKS

The goals and principles of the DDMP guide what is drawn in the master plan. Although there are many different components in the master plan, there are 4 main categories of building blocks, they are as follows: Streets and Blocks, Parks & Open Spaces, Buildings and Land Uses and Anchors. Each of these building blocks have a special role to play in creating a strong framework for the downtown.

Building Blocks For the Downtown:

STREETS AND BLOCKS

The downtown street network should be planned to maximize connectivity and access within the downtown. Streets should be planned and designed using a “pedestrian first” approach to ensure that the downtown will be highly walkable, support business and contribute to a positive visitor experience. A fine grained structure of streets and blocks is necessary to deliver a vibrant and urban place.

PARKS AND OPEN SPACES

While the street network provides connectivity, parks and open spaces are the primary opportunities for the community to gather, celebrate, relax, exercise and explore. Too often, parks are seen as simply left over space between developments, but it is essential that they are carefully planned to maximize their utility. A small and well-designed space in the right location can be just as valuable as a large, open field. The DDMP connects isolated parks and open spaces and recommends a focus on the creation of two public squares in the first phase of development to act as catalytic development projects.

BUILDINGS AND LAND USES

Buildings form an important function both in the uses within their footprint, and also their impact on the spaces they surround. The built form of the downtown is important in defining the character of the pedestrian experience. Although most buildings in the downtown will be built by the private sector, they are similar to parks in that they can impact the community on many levels. For this reason, the master plan suggests preferred heights, depths, widths and uses so as to provide guidance to the development community with respect to how buildings should frame streets and open spaces.

ANCHORS

Anchors are significant land uses that act as focal points for the community. Sports hubs, town halls, libraries, significant retail stores and tourist attractions are all examples of anchors. By locating anchors downtown, they will spread economic benefit to local businesses, but their users will also benefit from the extensive networks of businesses and services nearby. It is important for the downtown to have anchors to support ancillary land uses which contribute to the vibrancy of the downtown.

4.4 STRATEGY

A strong vision and sound development principles are essential to planning for the future. Cities and towns are a constant work in progress; every development decision must be grounded in fiscal responsibility, market realities and acceptance of existing conditions and past choices. For the DDMP to act as a catalyst, the first moves must be significant enough to be noticed but also easy enough to implement that they are realized.

It is important to focus both public and private sector efforts where they will have the most impact. Furthermore, with existing residential real-estate absorption rates of approximately 50 new units per year, it is unrealistic to think that change can occur throughout the entire downtown at once. Transformation on such a large scale will of necessity be implemented incrementally beginning with some immediate actions and catalytic projects. Successful redevelopment requires ongoing public and private collaboration and the DDMP provides the framework to structure that collaboration that will bring together short term actions with medium and longer term thinking. The DDMP must be flexible to allow for market changes to be adapted within the framework of the plan.

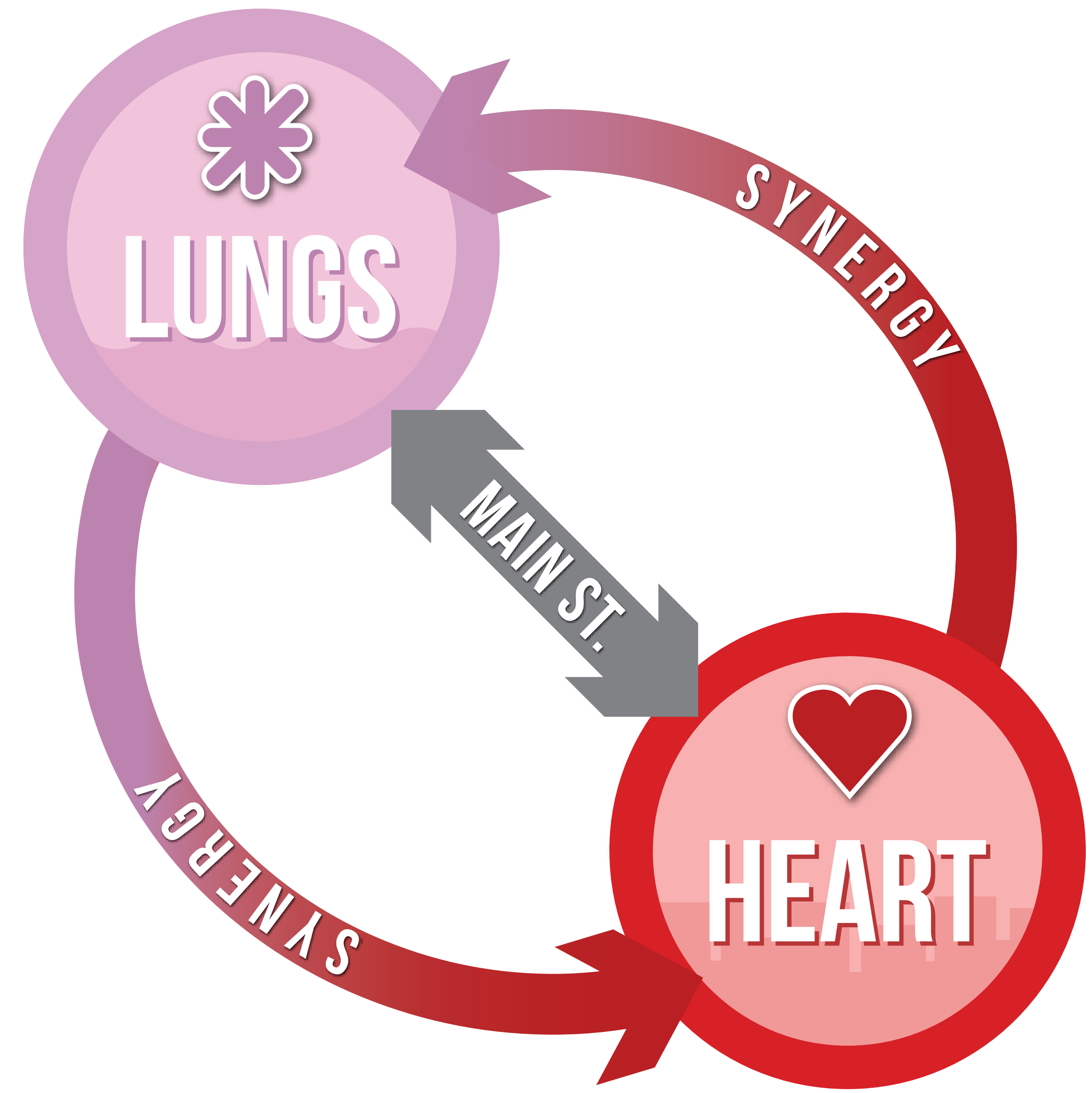
HEART AND LUNGS

Through careful observation and consultation with the community, the consultant team has identified the "Lower Main" area as the 'Heart' of downtown and "The Beach" area as the 'Lungs' of the community. Given the modest resources of the Town, it is recommended that the Town focus their efforts on these two zones. While other areas of the town will continue to grow and evolve, if the Town spreads its resources too thinly, no meaningful impact will be felt by the community as a whole, nor will the visiting tourist perceive a better experience.

These two districts are connected by Main Street, the historical spine of the town. They have enough separation to operate independently (particularly during peak summer months) yet the distance is easily walkable. This connection creates synergies: An improved beach experience is a benefit to both residents and tourists, while a great downtown for residents is also an added attraction for tourists and an improved gateway to the beach.

GUEST EXPERIENCE

An improved Main Street can enhance the richness of everyday life for residents and anchor the local economy, while an improved beach experience will be good for both resident enjoyment and economic vitality. The underlying driver guiding the master plan for both Main Street and the Beach is a focus on the experience of the user, ensuring the downtown becomes a destination of choice for daily needs, leisure opportunities and, for some, a place to live. However, creating a great experience doesn't happen by accident – careful planning is required to align the actions of numerous parties towards a unified, dynamic and memorable experience.



The DDMP identifies a collection of districts that together comprise downtown. Each district will develop over time with its own unique character, mix of uses, function and scale. The focus of the DDMP is on two districts: Lower Main and The Beach.

Focus for Implementation

Supporting Neighbourhoods
Policy changes to guide ongoing development in support of the plan but no immediate development focus

REGIONAL COMMERCIAL

FUTURE DEVELOPMENT NODE
The Marina are has great potential as a hub of activity and development, but Lower Main and the Beach should be prioritized

05

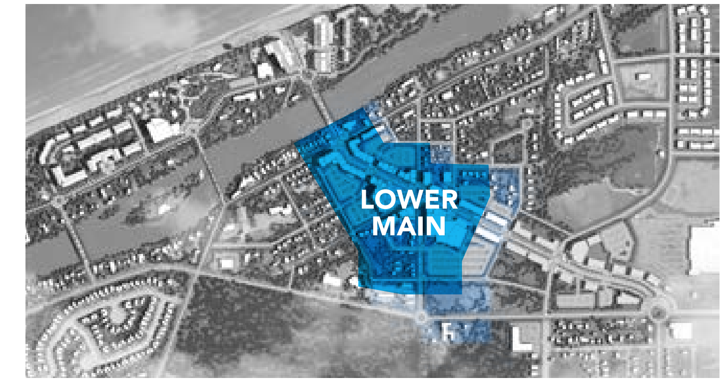
PRIORITY DISTRICTS

5.1 LOWER MAIN

VISION

Affectionately named "The Heart", Lower Main will become the centre of Wasaga Beach's year round residential population and serve as the community's social gathering place - a place to live, work and play. Lower Main is characterized by a concentration of employment, retail and residential units in a compact mixed-use form that will create the critical mass of people and uses to create a vibrant and successful core. Lower Main is walkable in scale where the majority of daily trips can be undertaken on foot or on bicycle. While placing an emphasis on the pedestrian, Lower Main will also be a multi-modal hub.

KEY PLAN



4 KEY BUILDING BLOCKS FOR LOWER MAIN

STREETS AND BLOCKS

- Main Street is preserved as the primary spine of the community
- A new roundabout is added at the intersection of Main St. and Beck Street
- Selected new streets are added to improve connectivity and access
- Main Street is designed to reflect 'Complete Streets' principles
- Main Street bridge is designed to improve safety, connectivity and enhance aesthetic character

PARKS AND OPEN SPACES

- A new town square is developed on Town-owned land at Beck Street and Main Street
- A pocket park is created on Town-owned land where Main Street meets the Nottawasaga River

BUILDINGS AND LAND USES

- An uninterrupted facade (streetwall) is required for all new development along Main Street
- Ground floor uses along Lower Main must be retail/commercial
- Buildings up to 5 storeys allowed (primarily residential above grade)
- Town to consider minimum height requirements of 3 storeys

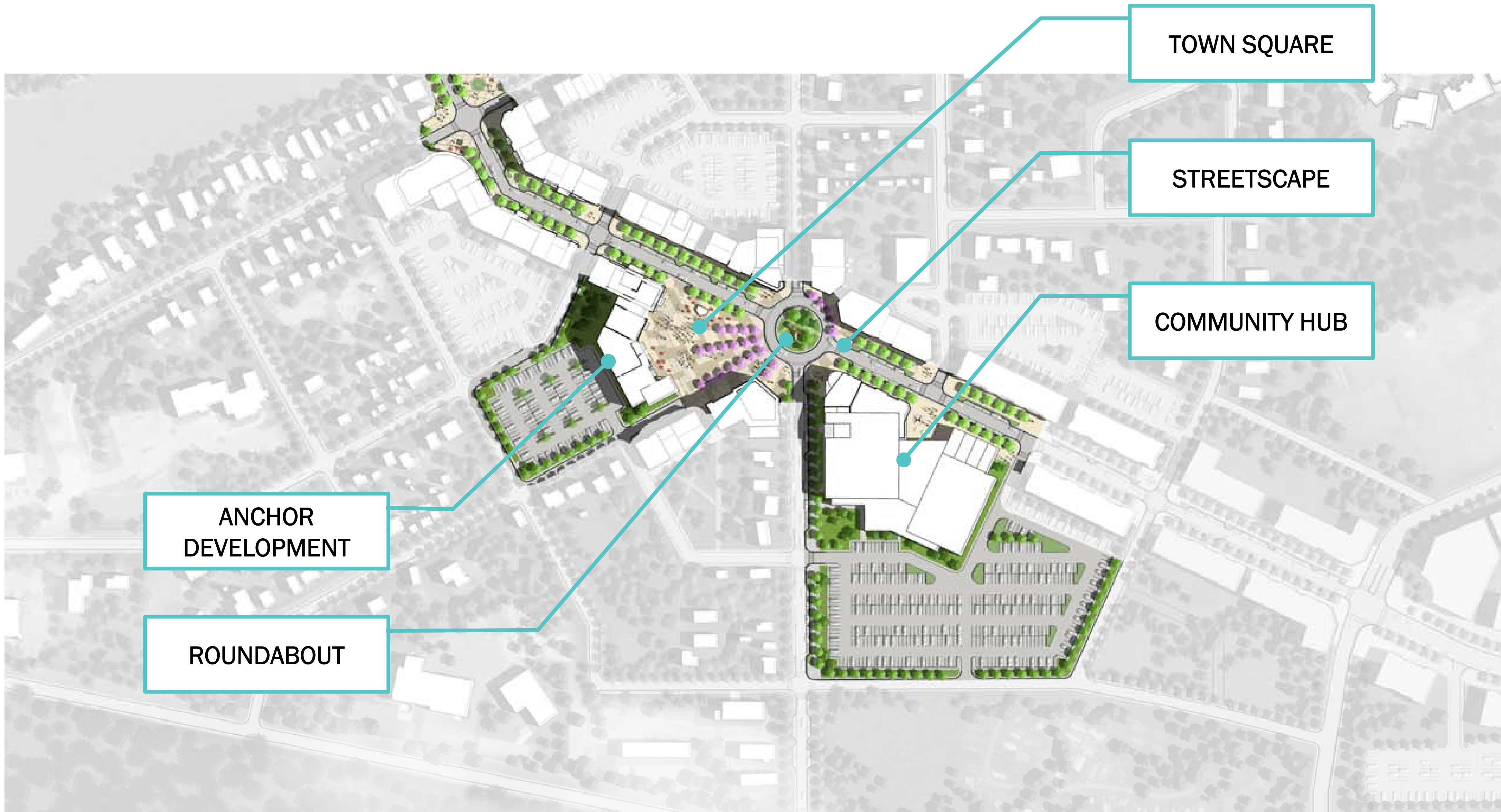
ANCHORS

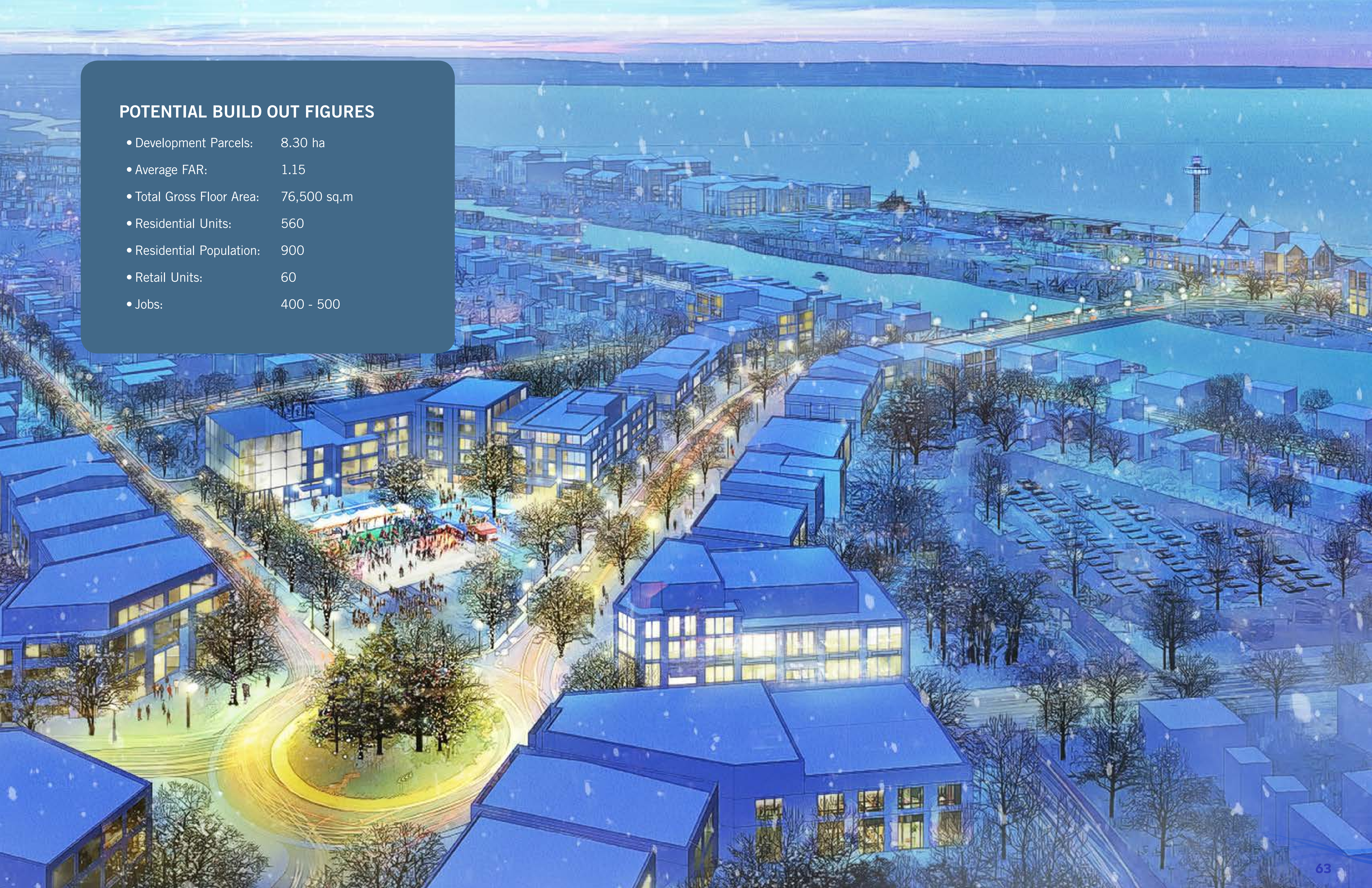
- Town to encourage civic uses within 10 min. walking radius of town square
- Possible Anchors: Sports Facilities, Town Hall, Library, Arts and Cultural Centre
- Possible site for Community Hub Identified
- Parking Strategy to maximize appeal of downtown but minimize impact of the car
- Feature building at Main St. and River Rd. West up to 8 storeys


KEY ELEMENTS
1 Town Square
2 Anchor Developments
3 Main Street Streetscape
4 Community Hub
5 Roundabout
6 Beck Secondary Gateway
7 Beach / Downtown Gateway
1
2
2
3
4
5
6
7

5.1.1 LOWER MAIN PRIORITY PROJECTS

The following projects are recommended for the Town to pursue implementation within the next five to seven years. Partnerships are recommended with the private sector and other levels of government.





POTENTIAL BUILD OUT FIGURES

- Development Parcels: 8.30 ha
- Average FAR: 1.15
- Total Gross Floor Area: 76,500 sq.m
- Residential Units: 560
- Residential Population: 900
- Retail Units: 60
- Jobs: 400 - 500

5.1.2 STREETSCAPE IMPROVEMENTS

Key to supporting active and engaging ground floor uses is the design of the Main Street - building face to building face. While built form will house adjacent land uses, the streetscape provides the conveyance in which pedestrians and vehicles activate the street.

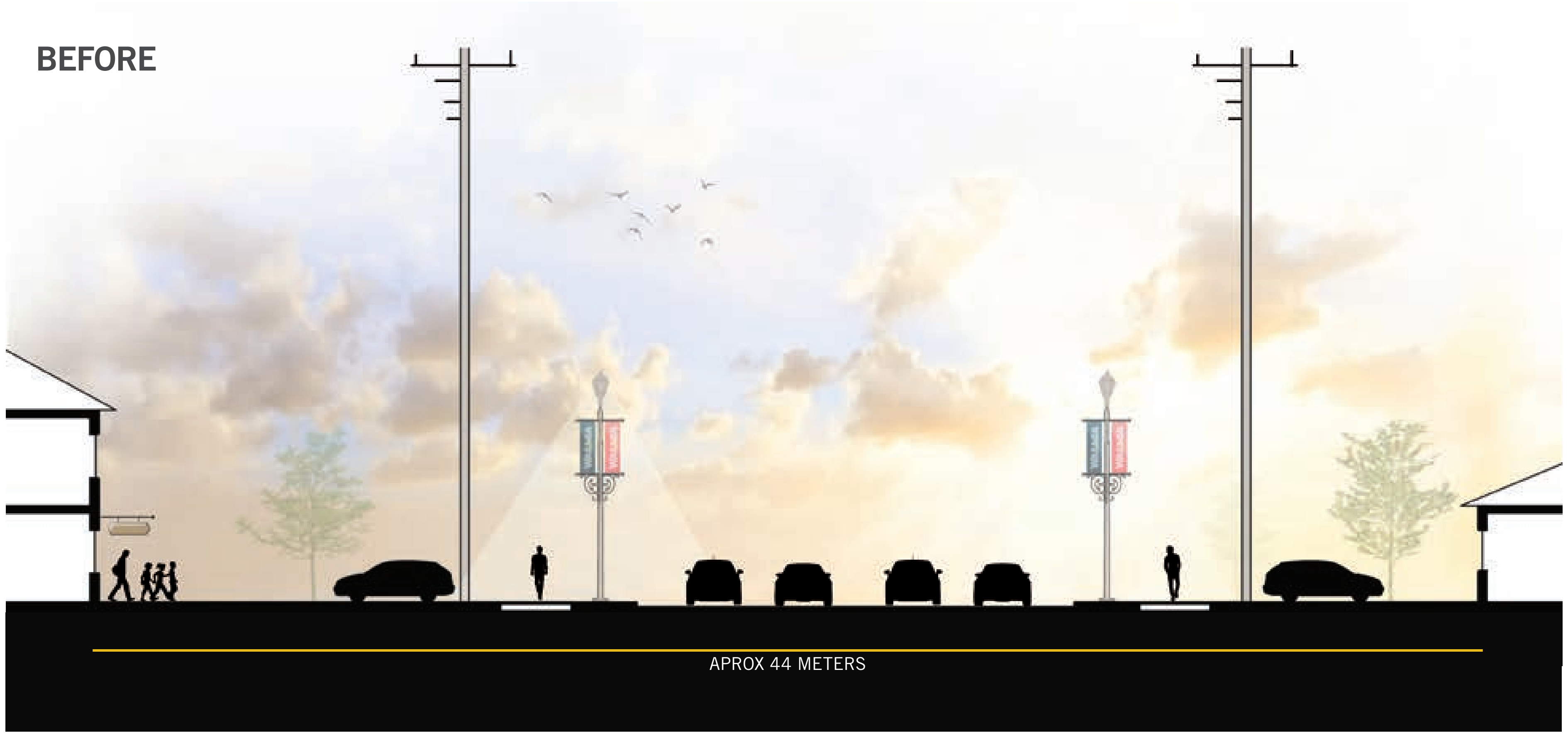
EXISTING MAIN STREET

The existing section of Main Street is not constructed at a pedestrian scale and does not have the necessary attributes of a vibrant main street. With 2 lanes of vehicular traffic in each direction, buildings set far back from the right-of-way, and tall power poles dominating the landscape, main street is designed like a suburban arterial, not like the heart of the community. Further, minimally sized sidewalks are located too close to vehicular traffic with little buffer in between resulting in a perceived uncomfortable feeling for pedestrians. Parking lots and grass lawns separate pedestrians from building faces and disrupt any potential for street activation. Very little space is set aside for pedestrian amenities and no cycling or trail infrastructure is present. Street trees are few and far between providing little shade, protection from the elements or pedestrian scale.

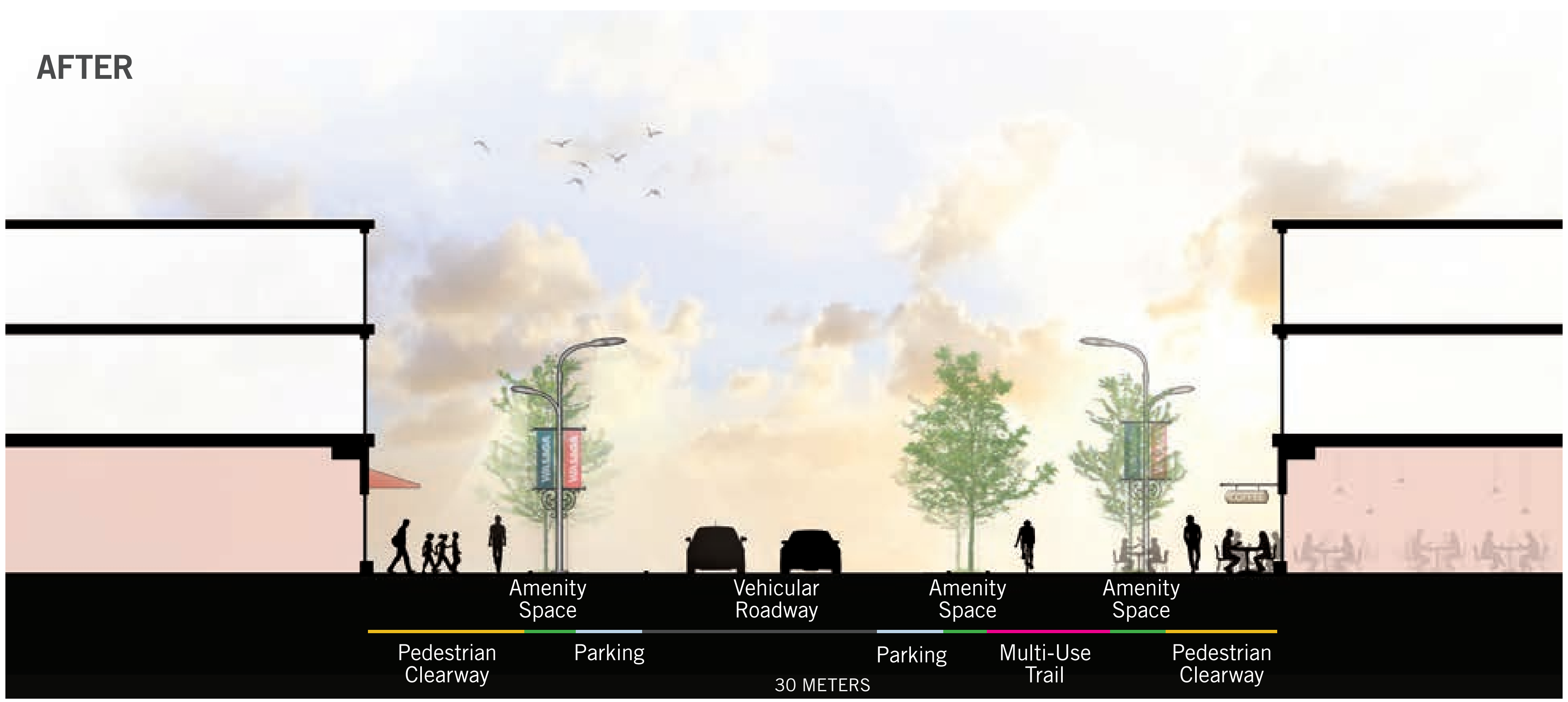
PROPOSED MAIN STREET

The new main street is pedestrian friendly and conducive for retail and commercial activity. Traffic is reduced to one lane in either direction with space for on-street parking and a left turn lane. On street parking provides convenient parking for retail while providing a buffer between vehicular and pedestrian traffic. Pedestrian sidewalks are larger in width to accommodate higher volumes of pedestrians while providing space for potential spill out of activities from adjacent land uses such as restaurant patios, signage and temporary installations. Amenity space is provided to create a more hospitable pedestrian environment accommodating light standards, a greater number of street trees, planters, benches, trash and recycling receptacles, bicycle racks, signage and public art. Amenity spaces can also accommodate bioswales, water retention cisterns and planting to handle stormwater for sustainable town infrastructure. Protected cycling and trail infrastructure reinforces the active living reputation and image of Wasaga Beach helping to create a complete street. Adjacent retail, restaurants, service industry, cultural uses and commercial uses all benefit from a pedestrian friendly environment. The resulting street activity creates a lasting first impression for visitors, builds Wasaga Beach's identity and attracts people to live, visit and spend money downtown.

Development of streetscape and urban design guidelines is highly recommended and will be necessary to ensure a consistent approach.



Existing main St

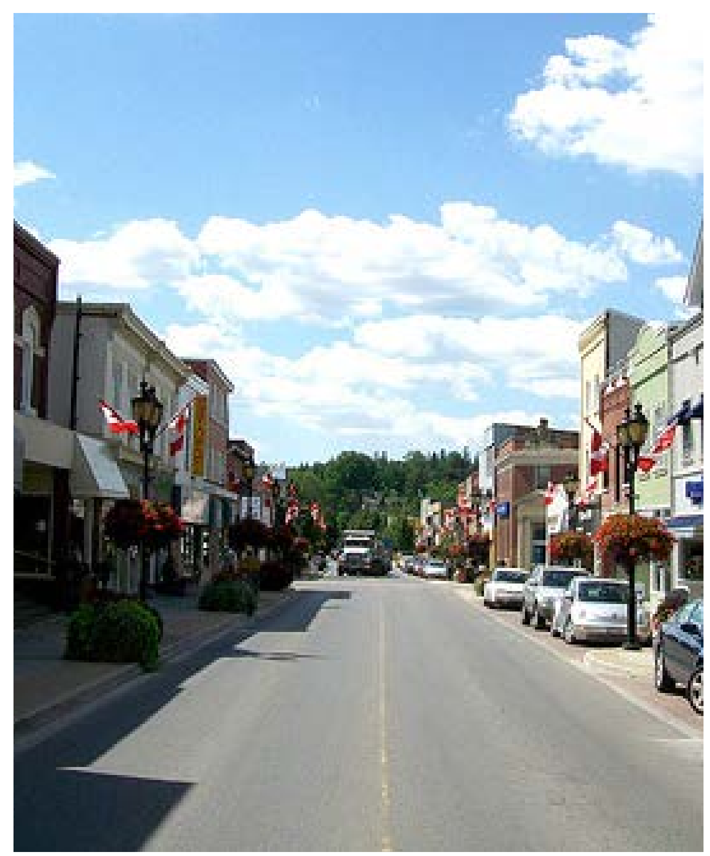


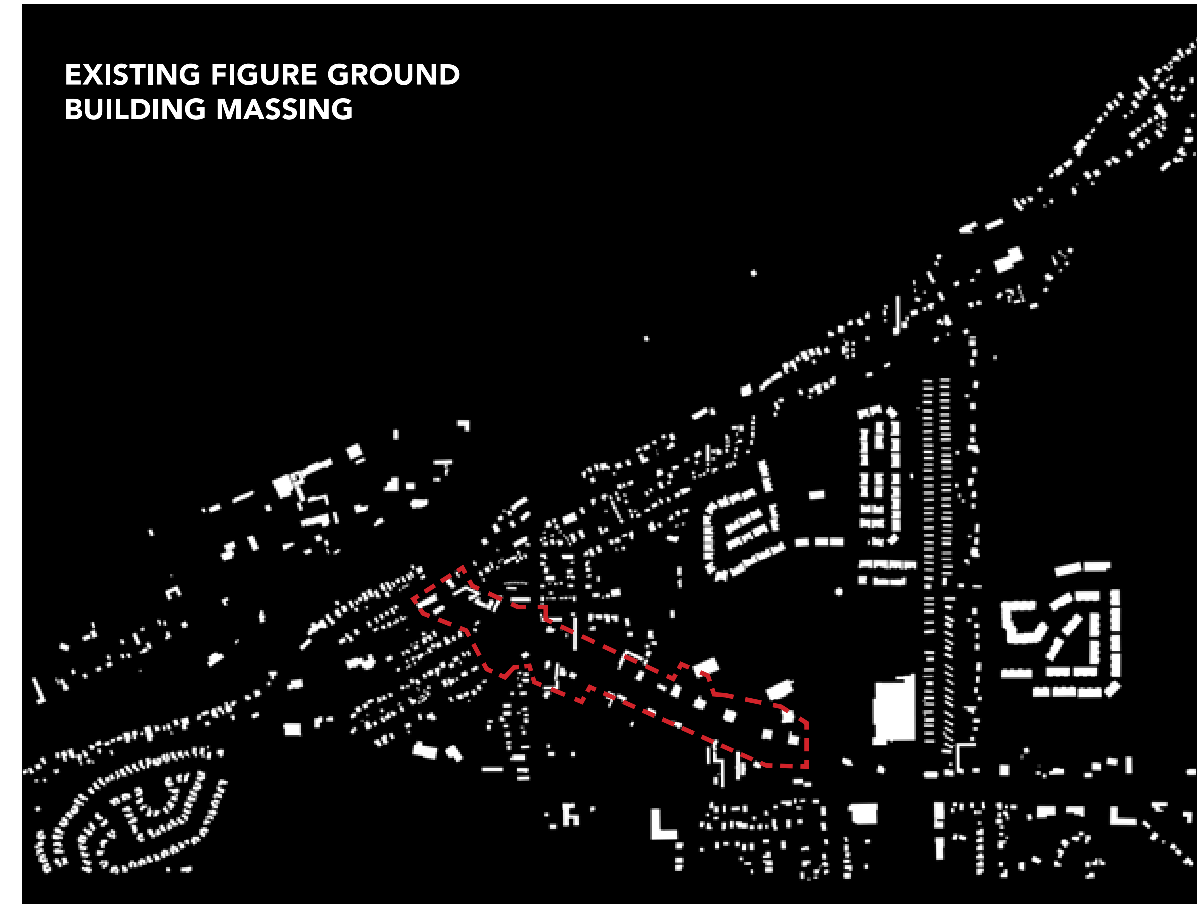
A vibrant, walkable Main St.

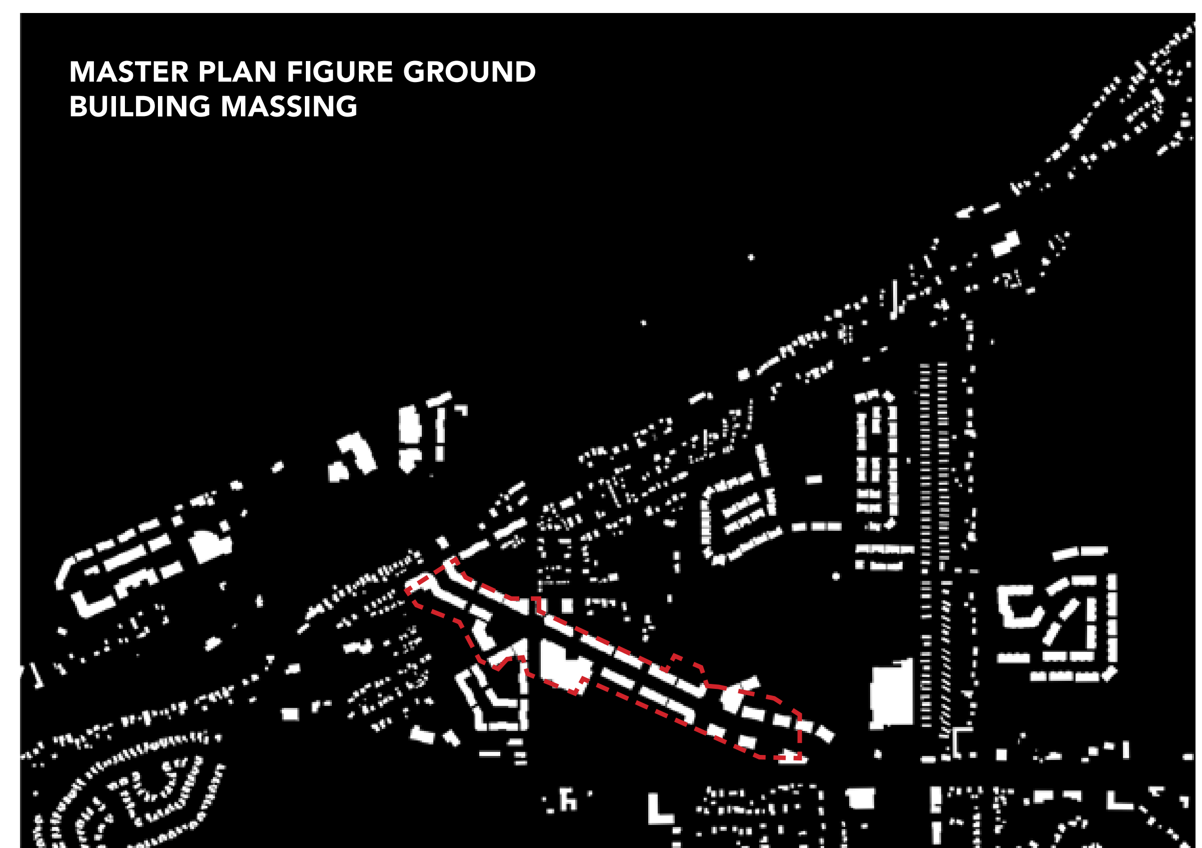
5.1.3 BUILT FORM

BUILDING MASS

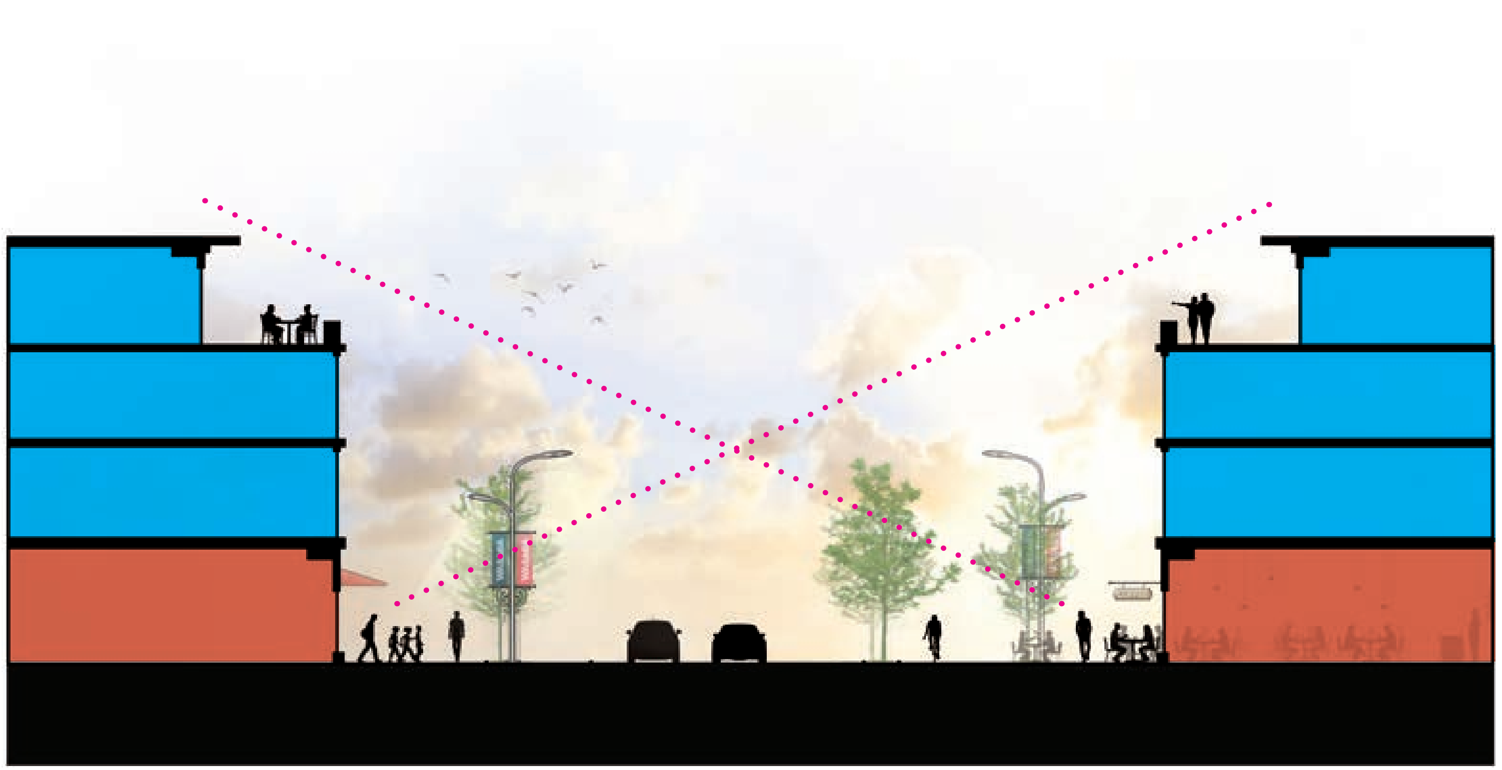
- Existing building massing along Main Street is sparse and not cohesive
- Gaps between buildings are large and disrupt the rhythm of the street
- Main Street needs a continuous and uninterrupted street wall on both sides of the street that will enable a double sided retail and commercial experience.
- At intersections, building massing and ground floor units should be beveled and continue along the side street to provide usable and active facades at the corners and into the side street. This helps to draw pedestrians from the Main Street into side streets if further retail and businesses expand from the main spine.







Minimum recomended building heights: ground + two storeys



Taller buildings (up to 5 storeys) will still offer a comfortable pedestrian environment while increasing residential density and developer appeal

HEIGHTS

- Buildings on Main Street to be 3 to 5 storeys.
- Beyond the 3rd storey, buildings should step back to maximize sunlight on the street.
- Buildings on Main Street to be a minimum 3 storeys.

GROUND FLOOR TREATMENTS

- Ground floor facades should be permeable with glass to allow visual connection to activities associated with adjacent ground floor land uses.
- Provisions for signs, patios, and weather protection should be made for facades on the ground floor level to enhance the public realm.
- Facades should be designed to be “interesting”

5.1.4 TOWN SQUARE

The town square is to become the main social gathering space for the residents of the town of Wasaga Beach. The town square is a passive and active space accommodating programmed events, festivals, markets and concerts, while also providing a place for residents to socialize, local workers to eat lunch, and visitors to rest while shopping in the downtown core.

The town square is envisioned to be primarily hardscape. Streets abutting the square should be curbless so when events are held and the street is closed it will function as one cohesive space.

Buildings fronting on the town square should be worthy of their prominent position and should have active and engaging ground floor conditions.

Space should be provided for large and small gatherings with places to sit. Shade should be provided with either structures or tree planting to make the environment enjoyable for crowds in the summer months.

Public art should be encouraged and located at various spots on the square. At approximately 3000 square meters, the town square is comparable in size to the town squares found in Kingston Ontario, Guelph Ontario and Waterloo Ontario.

Guelph City Hall

Kingston City Hall

5.1.5 ANCHOR DEVELOPMENTS

To maximize the success of the town square an anchor development should be designed with 3 to 5 storeys in height and border the square with an architecture that signifies it's importance in the community. The development should have public parking infrastructure behind or below supporting both the anchor development and the town square. The anchor development is considered to be mixed use and it is recommended that a civic function be incorporated into the building to highlight the town's presence and identity in the downtown core.

POTENTIAL USES

- Public library
- Government service centre
- Community theatre space
- Community learning space
- Community cultural program space
- Young and elderly support program space
- Ground floor retail and restaurants

5.1.6 COMMUNITY HUB

The community hub diversifies Wasaga Beach's range of activities by providing infrastructure to host indoor events and activities which are year round and protected from weather. As a part of the community hub, space should be provided for sports events such as curling and hockey, as well as a cultural component such as community crafts, library, museum, arts and performance spaces for music and art.

Located directly on the corner of Main Street and Beck Street, the community hub is a prominent building in the streetscape with the potential to attract visitors and pedestrian traffic year round to the benefit of adjacent businesses. Given the large footprint of the community hub, the design of the building should incorporate public space into its design in the form of a pocket park. The public space provides overflow and waiting cues during active events and can be used by the public passively, for example during lunch periods for nearby employees. With provision along the ground floor of space for retail, food and beverage, the pocket park has the opportunity to be constantly active.

Parking infrastructure would be necessary to accommodate larger crowds. While below grade infrastructure is preferred, the cost would make the option unfeasible. However, above grade parking designed behind the buildings away from the streetscape is acceptable and provides additional parking for the town and beach.

5.2 THE BEACH

VISION

Envisioned to bring back the “Fun” to Wasaga Beach, the Beach District will be the entertainment activity centre of Wasaga Beach. Taking a cue from it’s cultural heritage, the Beach District will bring back family and indoor entertainment to diversify the activities offered ensuring that the beach is a dependable destination through bad weather and through the off season. By strengthening the beach as a destination, the town reinforces the synergy held between the beach and town to create a sustainable entity.

KEY PLAN

4 KEY BUILDING BLOCKS

STREETS AND BLOCKS

- Beach Drive to be redesigned as a pedestrian-focused boardwalk that can be closed to traffic in the high season
- Circulation patterns refined to prioritize pedestrians
- New roundabout at Main End
- Parking Strategy to be refined with market demands: higher and better use of beachfront land

PARKS AND OPEN SPACES

- A new Festival Square is developed at the end of Main Street
- Beach Boardwalk and Entertainment Zones
- Connectivity to adjacent parks and open spaces

BUILDINGS AND LAND USES

- Key buildings frame the Festival Square
- New development pattern frames views to Georgian Bay
- 80 room boutique hotel
- Range of accommodation types enhances bed-base for the destination

ANCHORS

- Entertainment Zone broadens destination appeal
- Town to curate program for ground floor uses:
- Tourist retail, indoor entertainment, food and beverage
- New performance venue, multi-function space

5.3 BEACH DISTRICT "THE LUNGS"

"Cultures and climates differ all over the world, but people are the same. They'll gather in public if you give them a good place to do it".

- Jan Gehl

KEY ELEMENTS

1. Festival Square
2. Beachfront Boardwalk
3. Anchor Development
4. Mosley Street Streetscape
5. Beach Arrival Roundabout
6. Entertainment Zone
7. Indoor Water Park
8. Resort /Residential Development
9. Mosley Street Gateway
10. Pedestrian Bridge
11. Future 6th Street Bridge
12. Performance Venue

5.3.1 THE BEACH PRIORITY PROJECTS

The following projects are recommended for the Town to pursue implementation of within the next five to seven years. Partnerships are recommended with the private sector and other levels of government.

POTENTIAL BUILD OUT FIGURES

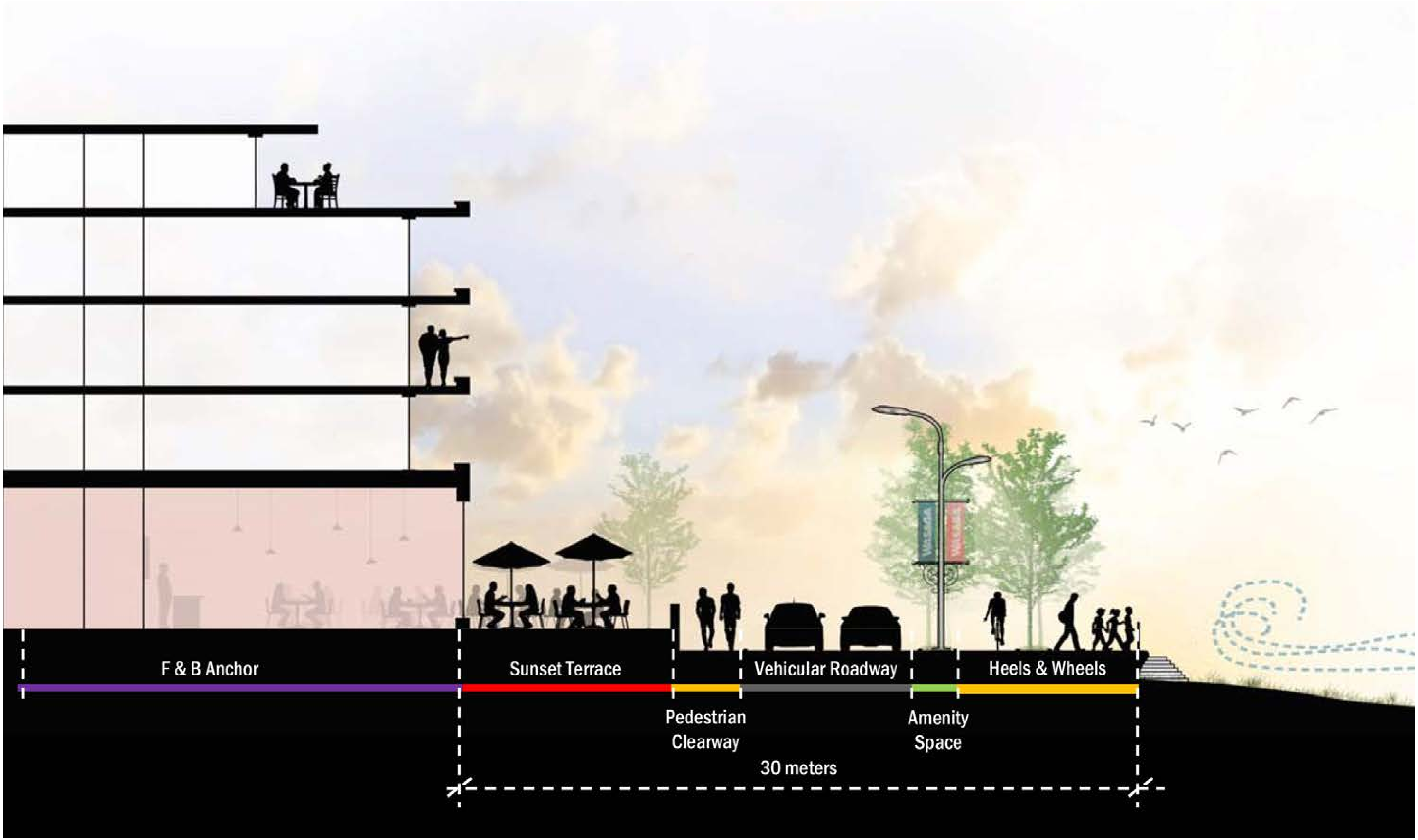
• Development Parcels:	13.10 ha
• Average FAR:	1.45
• Total Gross Floor Area:	124,000 sq.m
• Residential Units:	1,200
• Residential Population:	1,700
• Retail Units:	80
• Jobs:	800 - 900

5.3.2 BEACH FRONT BOARDWALK AND STREET IMPROVEMENTS

To leverage and protect the town's main asset, the beachfront boardwalk could be designed to mitigate the effects of wind erosion on the beach sand. An elevated boardwalk would act in similar fashion to sand dunes with beach grasses trapping and redirecting wind blown sand. The elevated boardwalk would provide opportunities to place temporary vendors along the beach, such as shipping container kiosks/shops, to create activity and amenity for beach goers. Elevated from the sand, the boardwalk provides an attractive and accessible area to take in views of the bay.

Beach Drive should be curbless so that during high season it can be closed to vehicular traffic and function as a pedestrian promenade. A distinct zone should be created for a multi-use trail along the beachfront separate from the boardwalk. The beach boardwalk would cohesively connect the beachfront from end to end and be designated as part of the greater Wasaga Beach trail network. Connected to the Festival Square, the beach boardwalk would be a high pedestrian traffic zone and could be a defining element of the beachfront. Similar to streetscapes and public spaces, the boardwalk is a public infrastructure project that can be initiated by the Town in the short term demonstrating commitment to the plan

5.3.2 PROPOSED SECTION AT BEACH DRIVE/BOARDWALK



5.3.3 FESTIVAL SQUARE

The Festival Square is envisioned to be the final destination and climax of the visitor experience. Visitors experience the town's character as they travel along Main Street. Arriving at the beach roundabout, visitors are treated to a framed view of the beach and lake through the Festival Square with people and entertainment in the foreground. The Festival Square creates a sense of arrival and is a major node making the design of the space paramount.

The Festival Square should be designed with ample amenities to create a pleasant pedestrian environment and gathering space. Among the most important design criteria are places to sit, shade and protection from the elements, continuous paving design from building face to building face, spaces for vendors, space for events and concerts, public art and access to the beach. The Festival Square is designed to open onto the beach for crowds to enjoy concerts and events from the sand, as well as having a beautiful backdrop. The continuation of special paving on the square from building facade to building facade makes it easy for pedestrians to cross the square creating an ideal shopping environment. Similar to the beachfront boardwalk and the town square, the paving design of the Festival Square should be seamless to provide a harmonious pedestrian experience while delineating traffic routes. During peak season the square can be primarily pedestrian with limited vehicular access to accommodate large crowds and events. During off-peak seasons vehicular traffic can have access to the periphery of Festival Square to access on-street parking and at grade shops, retail, entertainment and restaurants.

5.3.4 ANCHOR DEVELOPMENT

Framing the Festival Square is a series of mixed use developments. While the town square anchor development accommodates uses which mainly benefit residents of the town the anchor developments surrounding the festival square support the beach. Ground floor retail, restaurants, entertainment and services activate the square and benefit from easy access to the beach and beachfront boardwalk. Further entertainment and attractions indoors create year 'round activities to encourage visitation during bad weather conditions and past off-peak seasons. A boutique hotel, residential condos and townhouses provide updated accommodations. Favourable location and views make these accommodations desirable and encourages year 'round living at the beach and the extension of stays beyond single day visits.

The main anchor development buildings should be 3 to 5 storeys in height to create the necessary critical mass and the architectural design should complement the design of the Festival Square. Following the angle of the square, the buildings provide favourable views of the beach and water, overlook the square and frame the view from Main Street.

With the removal of surface parking along the beach for more beneficial land uses, accommodation of parking will be moved to below grade options. A large portion of the parking demand will be serviced by a below grade parking structure beneath the anchor development buildings and Festival Square.

5.3.5 ENTERTAINMENT ZONE

Successful beach destinations cannot rely on sun and sand alone. When choosing where to spend their precious free time, tourists welcome a variety of possible activities: options they can turn to after a full day on the beach; if the weather doesn't cooperate; to satisfy different tastes and preferences; or simply new and exciting activities that are a reason to visit in their own right. Expanding leisure choices will also entice visitors to stay longer, creating greater economic benefit for the town.

Typical entertainment components and attractions include:

- Rides & amusements such as carousels and midway games
- Observation tower
- Outdoor water play and indoor water parks
- Indoor and outdoor performance venues
- Special events and festivals
- Skating rinks and winter carnivals
- Indoor arcades, games, bowling

Entertainment functions are unique from other land uses in that they don't often fit within typical development frameworks or building footprints. They also require specialized operations expertise. Furthermore, while their immediate importance to the guest experience and the long-term value to the economy are clear, creating the entertainment offering may require a focused effort, lest it get overshadowed by more conventional development types (such as residential or retail) which offer more immediate and easily measured benefits (but at the expense of the positive impacts noted above).

Recognizing these desires and challenges, as well as the historical importance of entertainment to the economy and identity of Wasaga Beach, the DDMP has allocated a generous zone for the creation of a leisure and entertainment anchor on the beach. The entertainment zone should also be designed for use as a passive park, such that its character and features enhance resident and visitor experience on the beach during off-peak seasons. For example, hard surfaces that can also be turned into winter-time skating trails. Furthermore, future plans and codes should ensure that the ground floor of the catalyst buildings facing the Event Plaza will be designed and curated to enhance the visitor experience with uses such as: unique food & beverage offerings, boutique retail shops, entertainment & indoor attractions.

GAGE PARK SKATING TRAIL IN BRAMPTON

5.3.6 RESORT/RESIDENTIAL ZONE

The Resort / Residential Zone is envisioned to have accommodations that are privately owned, managed by a local corporation and rented out when not used by the owners. This arrangement is similar to that of many resorts ensuring year 'round usage and encouraging longer term visits. The intent of the Resort / Residential Zone is to provide updated accommodations and a critical mass of people by the beach. Where the official plan currently shows "tourism accommodation" land-uses to be spread out into the downtown, the Resort / Residential Zone focuses and increases density to visitor accommodations allowing for other uses along the beach. Accommodations and residential development also creates incentive and public / private partnership opportunities for development.

Built form in the Resort / Residential Zone includes townhouses facing the beachfront boardwalk and larger scale condo developments of 4 to 5 storeys behind. The developments should also provide publicly accessible private open space as part of the open space network and provide access points to the beach and beachfront boardwalk. Below grade parking infrastructure should also be built to support the development and the public using the beach.

5.4 UPPER MAIN DISTRICT

While the priority area for development will be Lower Main and The Beach, the Town should anticipate what the remainder of Main Street should look like from Lower Main to River Road West and provide that guidance to the development community through planning policy and urban design guidelines.

VISION

Upper Main will be a transition area from the more suburban built form found along River Road West and at Stonebridge. Mixed-use development is encouraged in Upper Main; however, the ground floor retail/commercial experience can contain larger floor plates than Lower Main. Additionally, ground floor uses can be more service oriented and not as focused on experiential retail uses. Auto-oriented uses such as drive-throughs should be prohibited along the entire length of Main Street.

KEY PLAN

BUILT FORM Buildings heights can be consistent with those in Lower Main, generally 3-5 storeys.

5.5 BUILDING FRONTAGES

The main difference between buildings in Lower Main versus Upper Main is the minimum frontage condition. In Lower Main buildings should occupy 100% of their lot frontage condition with no interruptions for vehicular access, servicing or loading. In Upper Main (between Beck Street and Stonebridge Boulevard, this minimum restriction can be lessened, requiring a minimum of 75 % of the lot frontage to be occupied with buildings. Between Stonebridge Boulevard and River Road West this can be further lessened to 50%.

5.6 DOWNTOWN GATEWAY SITE

The gateway site at Main Street and River Road West provides the first impression that residents and visitors receive when they enter the new downtown. As such it requires careful thought and attention. In addition to the building heights and minimum frontage requirements outlined in the previous sections, the Town should consider holding this important gateway site to a higher level of design excellence. Suggestions can include the following:

- Incorporation of a significant piece of public art on major "Wasaga Beach Signage" into the architecture of the building at this gateway site;
- Ensuring that future building(s) are sited to create street enclosure at the intersection;
- Potential to incorporate an attractive pocket park;
- Offer to contribute financially to the developer to ensure the building can form an important gateway to the town.

KEY PLAN

5.7 ECONOMIC IMPACT ANALYSIS HIGHLIGHTS

The following Economic Impact Analysis was undertaken to examine the short term and build out impact of the Lower Main and Beach projects on Wasaga Beach and Simcoe County.

ECONOMIC IMPACT OF CAPITAL DEVELOPMENT

INITIAL CATAYLST PHASE

Over the initial 5 to 10 year period, the Wasaga Beach Downtown MasterPlan has the potential for an estimated **$200 Million in capital development**, of which an estimated 70% ($140 Million) will be for 450+ residential condo units / townhouses on the Lower Main and Beach areas. The remaining $60 Million includes the potential development of mixed use retail, entertainment facilities and an 80-room boutique hotel.

Construction of the initial **Catalyst Phase of $200 Million** has the potential to:

- Generate $66 million in GDP for Simcoe County;
- Support 630 direct jobs in Ontario, 600 of which will be located in Simcoe County;
- Directly support over $50 million in direct wages and salaries for Simcoe County workers; and
- Contribute an estimated $29 million in direct taxes, of which federal taxes will account for $13.5 million; provincial taxes will account for $13 million and municipal taxes will generate an estimated $2.5 million.

FULL BUILD OUT OF DEVELOPMENT

Capital costs for the full implementation of the Downtown MasterPlan over the next 20 to 30 years have been estimated at over **$625 Million** (in current $2017), including an estimated 1,300 residential units, 21,000 sq.m. of mixed use retail, 2 hotels (80 room boutique hotel and 250 room waterpark hotel) and 40,000 sq.m. of entertainment facilities.

Construction of the **Full Development Build Out** has the potential to:

- Generate $158 million in GDP for Simcoe County;
- Support 1,415 direct jobs in Ontario, 1,320 of which will be located in Simcoe County;
- Directly support over $110 million in direct wages and salaries for Simcoe County workers; and
- Contribute an estimated $77 million in direct taxes, of which federal taxes will account for $35 million; $36 million in provincial taxes; and $6 million in municipal taxes.

POTENTIAL ECONOMIC IMPACTS OF WASAGA BEACH DOWNTOWN MASTER PLAN				
CAPITAL INVESTMENT		***CATALYST PHASE*** ***Initial 5 to 10 Years***		**FULL BUILD OUT** **20+ Years**
CAPITAL DEVELOPMENT EXPENDITURES		***$200 Million***		**$625 Million**
SIMCOE COUNTY IMPACTS				
	Direct GDP	*$66 Million*		$158 Million
	Direct Labour Income	*$50 Million*		$110 Million
	Direct Jobs	*600*		1,300
	Direct Taxes	*$29 Million*		$77 Million
	Federal	*$13.5 M*	*$34.9 M*	
	Provincial	*$13.0 M*	*$36.3 M*	
	Municipal	*$2.5 M*	*$5.6 M*	

ECONOMIC IMPACT OF INCREMENTAL ANNUAL VISITOR SPENDING

INITIAL CATALYST PHASE

Of the 450+ residential condo/townhouse units developed over the initial 5 to 10 year period, it is estimated that just over one-half will be occupied by permanent and/or seasonal residents (400 persons), with the balance of owners using their units for resort/recreational purposes (310 persons) and when they are not occupying them, the units will be placed in a rental pool for transient visitor use. The addition of new rental units available for visitors, together with an a programmed event plaza, an 80-room boutique hotel, new mixed-use retail options, and various forms of entertainment, is expected to generate an **additional 200,000+ visitors to Wasaga Beach on an annual basis over the next 5 to 10 years.**

Wasaga Beach currently attracts approximately just under 2 Million visitors on an annual basis, of which an estimated 20% stay overnight at local accommodations, campgrounds or seasonal cottages, while 80% of the visitors tend to be day trippers. Following the catalyst phase of development over the next 5 to 10 years, the mix of visitor is projected to change with overnight visitors making up 25% of total visitation. According to Statistics Canada, overnight visitors to Simcoe County spend $163 per person, while same day visitors spend less at $72 per person. Taking inflation into account, it is estimated that an additional 200,000 visitors to Wasaga Beach over the next 5 to 10 years, will generate **an incremental $34 Million in visitor spending on an annual basis, of which 80% will be derived by overnight visitors to the Town.**

An incremental 200,000 visitors and $34 Million in spending to Wasaga Beach over the initial 5 to 10 Year Catalyst Phase has the potential to generate the following impacts on an annual basis:

- An additional $15 million in GDP for Simcoe County;
- 260 direct jobs, all of which will be in Simcoe County;
- A further 70 jobs in Simcoe County which will be supported through indirect and induced spending impacts;
- Direct wages and salaries of $10 million to be paid to workers and other front line businesses directly benefitting from the incremental new visitor activity; and
- Just over $7 million in direct taxes to all 3 levels of government.

FULL BUILD OUT OF DEVELOPMENT

The full implementation of the $625 Million capital development program, inclusive of 1,300 residential units, an 80-room boutique hotel and a 250-room waterpark hotel, together with mixed-use retail and an entertainment zone has the potential to attract an estimated **500,000 incremental new visitors to Wasaga Beach on an annual basis.** Overnight visitation to Wasaga Beach has been projected to increase by over 70%, while same-day visitation is forecast to increase by 12% to reach a total of 2.5 Million visitors to the community.

Based on the build out of the full development plan, the **estimated 500,000 incremental new visitors to Wasaga Beach annually, has the potential to generate an additional $86 Million in visitor spending to the community**, thereby generating the following impacts on an annual basis:

- An additional $36 million in GDP for Simcoe County;
- 660 direct jobs for Simcoe County;
- Direct wages and salaries of $24 million to be paid to workers and other front line businesses directly benefitting from the incremental new visitor activity; and
- Just over $18 million in direct taxes to all 3 levels of government.

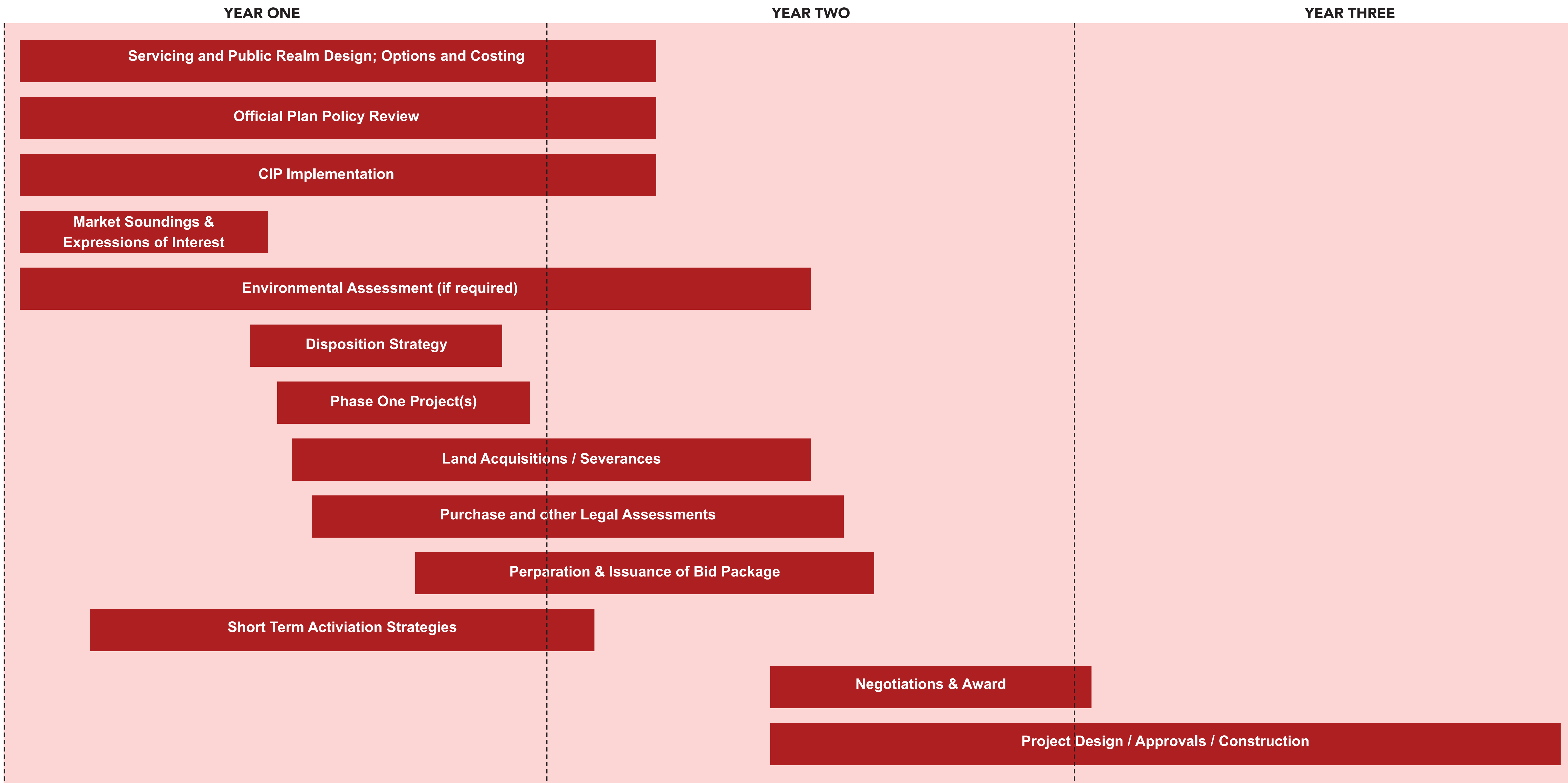
POTENTIAL ECONOMIC IMPACTS OF WASAGA BEACH DOWNTOWN MASTER PLAN		
INCREMENTAL NEW VISITOR SPENDING	***CATALYST PHASE*** ***Initial 5 to 10 Years***	**FULL BUILD OUT** **20+ Years**
SIMCOE COUNTY IMPACTS		
Incremental New Visitors to Wasaga Beach	*200,000*	500,000
% Increase in Overnight Visitation to Wasaga Beach	*33%*	45%
Incremental Annual New Visitor Spending to Wasaga Beach	*$34 Million*	$90 Million
Direct GDP	*$15 Million*	$36 Million
Direct Labour Income	*$10 Million*	$24 Million
Direct Jobs	*260*	660
Direct Taxes	*$7 Million*	$18 Million
Federal	*$3.4 M*	*$8.6 M*
Provincial	*$3.6 M*	*$8.9 M*
Municipal	*$0.2 M*	*$0.6 M*

06

IMPLEMENTATION

6.1 IMPLEMENTATION PROCESS

The community of Wasaga Beach is vibrant and growing within a picturesque natural setting that makes it a prominent tourism destination in Canada. The role of Downtown Wasaga Beach is to unify the community of year round residents and annual visitors while reinforcing a strong economic civic centre to stimulate development. By thoroughly understanding the existing regional and downtown physical connections and Town policies, the new Downtown Wasaga Beach was designed to reflect and further support an even stronger sustainable civic identity.


YEAR ONE
YEAR TWO
YEAR THREE
Servicing and Public Realm Design; Options and Costing
Official Plan Policy Review
CIP Implementation
Market Soundings & Expressions of Interest
Environmental Assessment (if required)
Disposition Strategy
Phase One Project(s)
Land Acquisitions / Severances
Purchase and other Legal Assessments
Perparation & Issuance of Bid Package
Short Term Activiation Strategies
Negotiations & Award
Project Design / Approvals / Construction

6.1 Implementation Process

The DDMP is the first step in creating a new downtown for Wasaga Beach. However, the Town will need to take several steps in the coming years in order to ensure that the vision of the DDMP can be executed. This section provides a brief overview of the steps that the Town will need to take over the next 24 to 36 months to implement the plan.

The goal of much of the early implementation work is to determine the best approach to capture financial and public benefits. Understanding the costs and benefits of all options is imperative for success and will put the Town of Wasaga Beach in a better negotiating position when the private sector is engaged. This understanding also reduces uncertainties regarding costs and approvals, and makes the most efficient use of limited public dollars.

This implementation work should begin immediately, and much of this work can occur concurrently. The time frame can be highly variable subject to Council's direction, the availability of funds, and broader economic factors such as the strength of the real estate market.

While this process is for the implementation of some of the larger components of the redevelopment, the Town should also consider other "quick-win" changes that can be made in the short-term. The Town made a wise investment in Main Street Market as a temporary quick-win. This type of initiative should be encouraged to continue while the larger redevelopment takes shape.

Figure 10, on the previous page, is a Gantt chart that maps out, at a high level, the steps the Town will need to take in the coming years and that are included in this section.

6.1.1 Servicing and Public Realm Design

The Town should immediately begin work to properly detail and plan the infrastructure proposed in the DDMP. This will be one of the more work intensive stages and could consume anywhere from 12 to 18 months, depending on the complexity of servicing and engineering issues that arise. This work would have the following objectives:

- Map out the space requirements of new streets and open spaces, and confirm which lands are required to execute the plan;
- Provide initial design standards and alternatives for servicing, streetscapes, and urban spaces;
- Provide initial costing and options for cost savings and phasing of costs;
- Determine funding and financing approaches – what will be paid for by the private sector, by the tax base, and by alternative funding sources; Provide construction schedule and timing, and phasing alternatives – begin to consider how infrastructure improvements can be installed without

interfering with summer tourism traffic. A determination of the precise timing of installation of infrastructure will also allow for proper timing for release of developer calls for proposals;

- Identify key issues such as soil and tree removals, among others;
- Identify approvals – including environmental assessment process timing and costs; and,
- Development of specifications and standards for the development of public spaces. For example, if a developer will be required to build the plaza in the Main End, it will be necessary to include in any bid package the exact area and specifications of the plaza including servicing, surfacing, street lighting and furniture to allow bids to be developed accurately.

It should be noted that the need for an environmental assessment, or multiple environmental assessments, could add a significant amount of time to the implementation timeline.

6.1.2 Policy Review

The Town is in the process of reviewing its Official Plan. This process should consider the outcomes of the DDMP and this report as well as how, or if, to incorporate Community Improvement Plan policies. This work can proceed immediately and in parallel to all other activities in the work plan.

6.1.3 Market Soundings and Expression of Interest

Beginning immediately, the Town of Wasaga Beach should reach out to experienced and interested parties in order to test design concepts with the market and begin to feel out what the private sector may be looking for in a redevelopment plan.

This stage could include the launch of a request for expressions of interest ("RFEI") which will confirm that there is market interest in new development in Wasaga Beach, identify potential development partners, and solicit input in the process.

Interviews with potential development interests should help to determine:

- Depth of market interests;
- The most desirable parcels;
- How much land should be included in the call for development proposals (e.g. large land offering vs. multiple small offerings, and the pros and cons of each option); and,
- What format of proposal call is most appealing and generates the greatest amount of bids.

The findings of the market soundings and a RFEI could aid in adjusting the approach of the Town's disposition strategy.

6.1.4 Disposition Strategy

The goal of the disposition strategy is to determine what the best approach would be to extracting value from the Town-owned lands. Two common approaches are to sell off the individual parcels (or a group of parcels) to a private developer, or to enter in to a joint venture with a developer partner that may provide some additional control over the decision making of the use of that parcel.

Another approach could be for the Town of Wasaga Beach to establish a Municipal Development Corporation ("MDC"). This MDC could be as large or as small as the Town deems appropriate, and could even be staffed part-time.

Wholly owned by the Town of Wasaga Beach, the MDC would be charged – under direction from Council – to negotiate financial deals with private developers. The benefit of an MDC is that it takes sensitive negotiations out of the public forum of Council and allows for quicker, more efficient negotiations. Many developers are resistant to negotiating in public with municipal staff and council. Developers are also deterred by the time it can take a deal to be reached with Council. This can limit the marketability of municipal initiatives and value capture.

In other municipalities such as Toronto, Ottawa, and Guelph, Councils authorize an MDC to negotiate within certain parameters – which are exposed to public scrutiny – but the details are left to the MDC. Properly staffed, an MDC improves the potential for a better financial performance of the deal and more rapid results.

The creation of an MDC is provided for under the Municipal Act but must be supported by a business case and a public meeting.

6.1.5 Phase One Plan

Based on the information gathered in the previous steps, the Town of Wasaga Beach can then begin to create a plan for the first phase of redevelopment. This will entail:

- Identifying which lands will be prioritized as part of the first phase;
- Creating development objectives;
- Determining which development parcels require assemblies, severances, etc;
- Identifying servicing and infrastructure costs for the first phase of development; and,
- Determining a preferred deal structure and financial strategy.

While there is not yet a developer partner at this stage of the implementation process, this stage aids in setting the town up for the preparation and issuance of a bid package in the near future. The phase one plan will set out everything that the developer will be responsible for, the costs, and the expectations for each element of the development.

6.1.6 Land Acquisitions, Severances, and Consolidations

With a clear understanding of the land needs required from the above noted studies, and confidence from the market soundings that sufficient development interest is present, the land necessary for implementation of public infrastructure should be acquired concurrent with the creation of the phase one plan. This stage will identify which lands are needed to facilitate new roads, to create new development parcels, etc.

Once the lands to be sold are clearly delineated they will need to be legally described and potentially severed for adjoining lands. This could happen after the developer is selected providing there is certainty of the exact area of land that will be transferred. Potential Planning Act appeals could slow down the process and should be considered early on.

It is anticipated that this work could be ongoing throughout the timeline of the implementation plan.

6.1.7 Purchase and Other Legal Agreements (Phase One)

Concurrent with the land acquisitions, severances, and consolidations, the Town of Wasaga Beach should develop its own form of purchase agreement for the future request for proposals ("RFP"). Council should consider the long term responsibilities of the developer and those of the Town – if any – in the management of public and private open spaces. Who owns, operates, and maintains these spaces must be determined and ensure there is clarity on these issues for both the Town and its future development partner – at least in draft – prior to the launch of a procurement process.

The legal agreements are likely to be an ongoing part of the implementation plan as decisions on blocks throughout the Downtown are made.

6.1.8 Preparation and Issuance of Bid Package

With the above work complete or well underway, the approach to procurement should be developed. Collection of the necessary bid information, submission requirements, communication and question protocol, evaluation and scoring criteria, and other key issues will need to be determined.

This could be a two-stage process with an initial request for expressions of interests or qualifications to bid – possibly even from international applicants – followed by a request for offers from short listed bid teams. The Town may also decide to simplify the process by asking for bids directly – at the risk of being flooded with unqualified bidders.

This stage of the work requires careful planning. A clear picture of what is being offered, and an equally clear picture of what will be required of the developer, is necessary. Work from the servicing and public realm design stage will be critical in the development of the bid materials to offer certainty of the bid components to the developer.

The creation of a project website will aid in easing the bid process. Interested firms can access all the information they may need on the website, including application materials, and submit their bids via the internet.

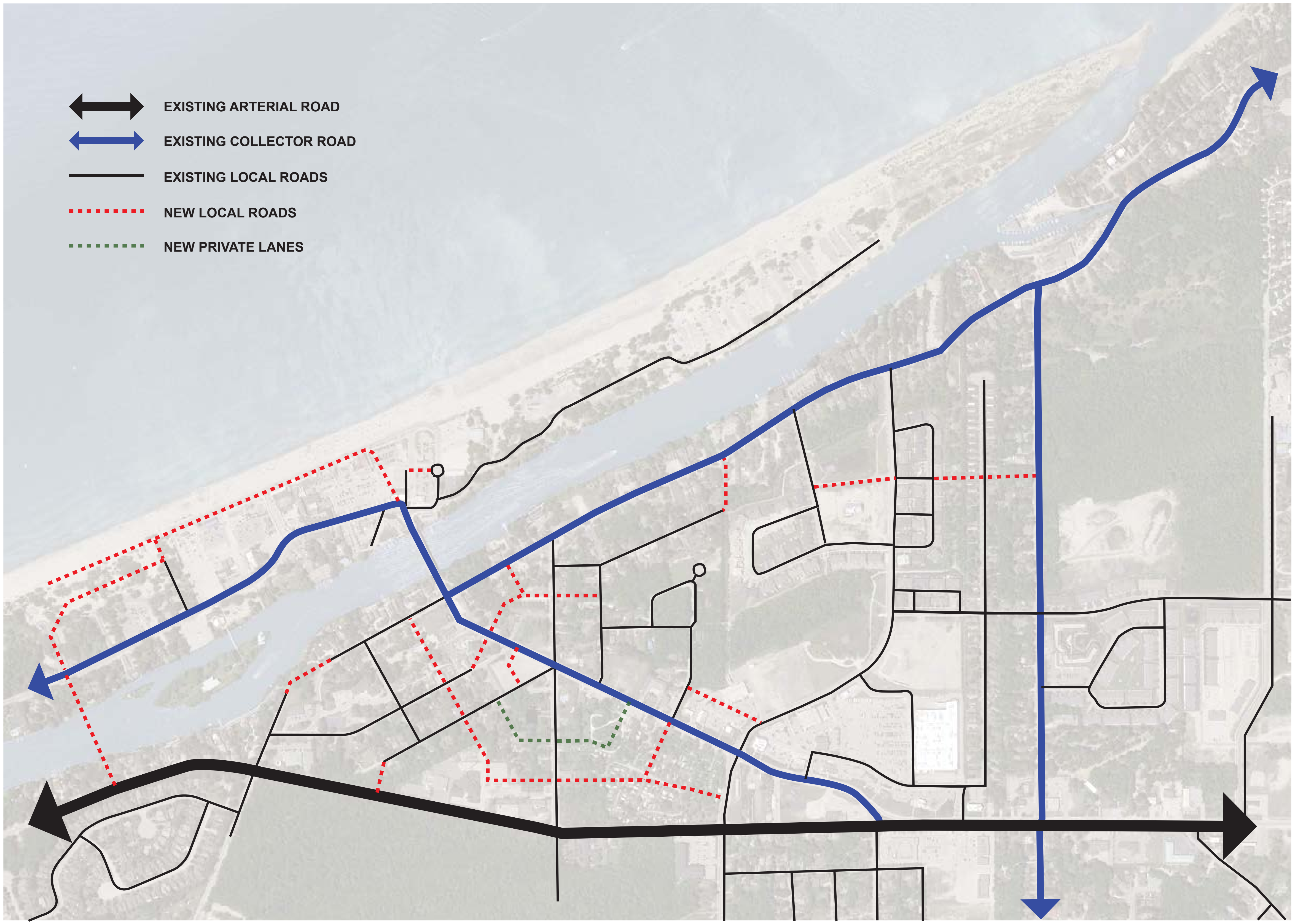
Once a developer partner has been chosen following the launch and evaluation of bids, the project design and approvals stage will officially begin. This stage will include detailed architectural and urban design work, in addition to planning approvals. Some of the design work is likely to occur earlier as part of the developer's bid package which could aid in shortening the length of this stage. If residential units are included, sales for the initial phase may begin prior to project approval in order to ensure that construction on the first phase can begin as soon as possible.

Upon project approval, construction on the first phase of development can occur. As construction is underway, design of subsequent development blocks and phases can begin to allow for a seamless transition to latter phases, as the market dictates.

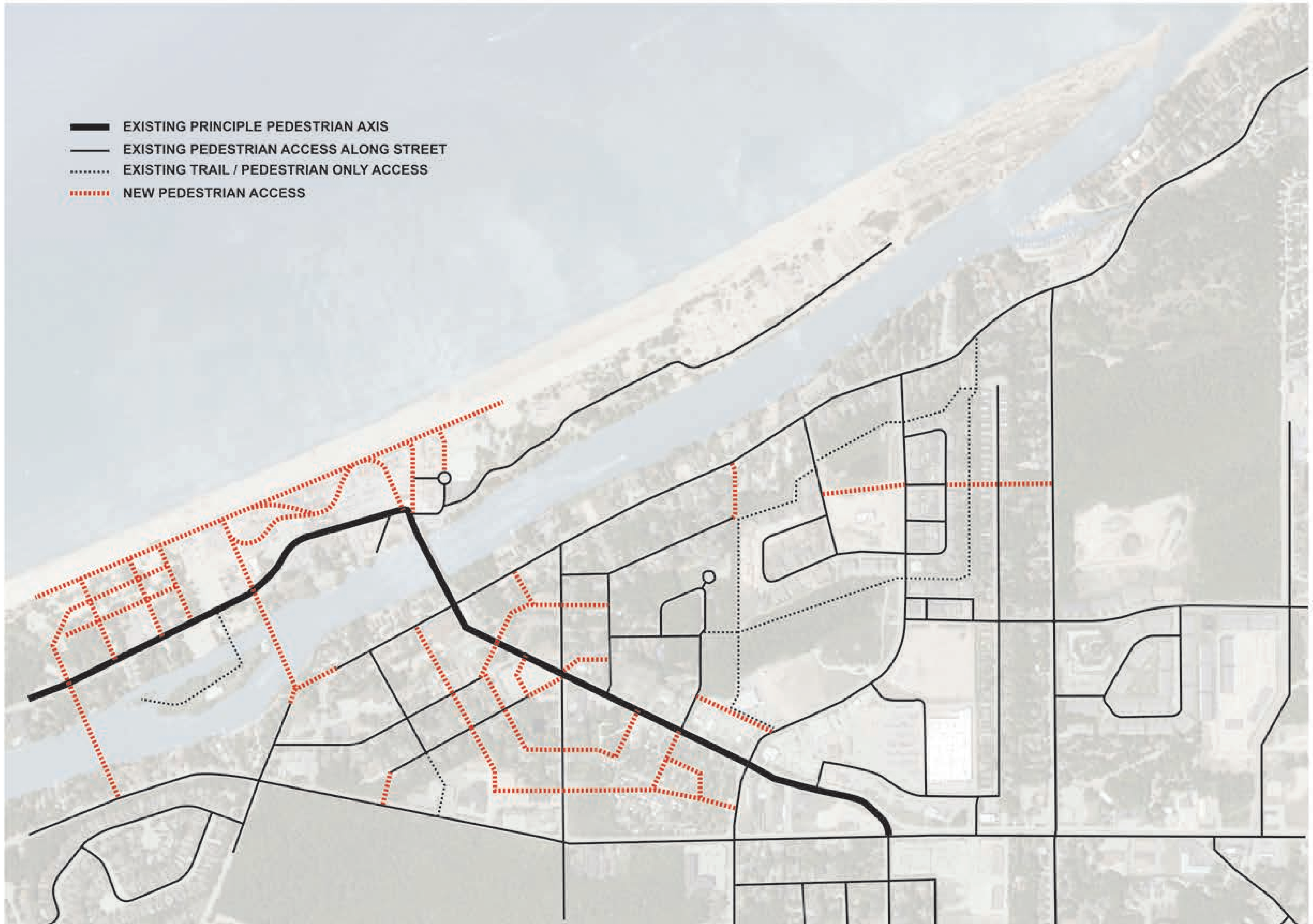
APPENDIX

SITE ANALYSIS

A.1 VEHICULAR CONNECTIVITY



A.2 PEDESTRIAN AND TRAIL CONNECTIVITY



Cycling and Trail Connectivity

Wasaga Beach

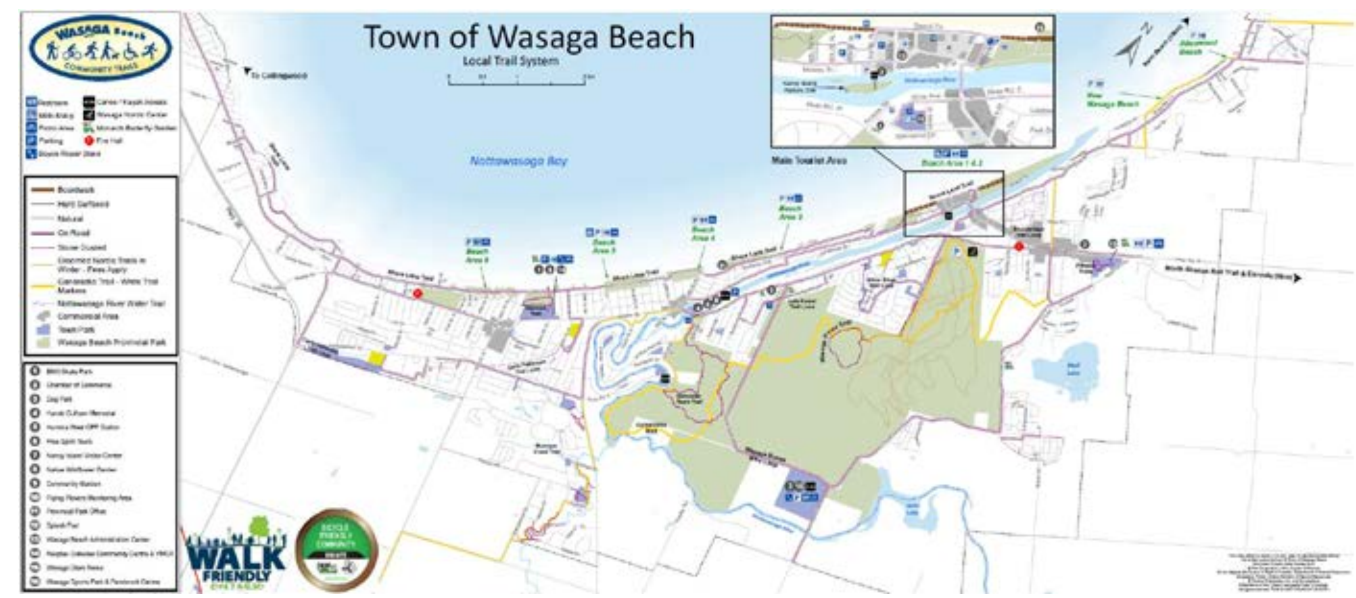
Wasaga Beach currently offers a significant network of community trails for all ages and skill levels, spanning more than 100 kilometres. A new *Trails of Wasaga Beach* map (below) was recently developed and displays the Town's intricate trails system that features scenic biking, hiking, snowshoeing and cross-country ski trails, as well as proposed trails for the future.[1] As shown, the existing bicycle and hiking trail directly links the existing Main Street area to Beach Areas 1 & 2, and extends along the shoreline to Beach Areas 3 through 6, plus Springhurst Beach, Brocks Beach and Bowers Beach. From the shoreline, the existing trail network connects back to River Road West at 27th Street North and rejoins at Main Street.

Another loop extends from River Road West south to Powerline Road Trail, east along Klondike Park Road, north on Golf Course Road Trail and Zoo Park Road South to Main Street. The Community Bike Loop follows 12 kilometres of roads in the Town of Wasaga Beach, using paved shoulders and designated bicycle lanes. The Community Bike Loop connects to the Wasaga Nordic & Trail Centre (formerly the Blueberry Trails Nordic Centre), located within walking distance to the proposed "Lower Main" area of Town, where a further 50 kilometres of trails can be accessed. The Centre provides rentable equipment for those participating in cross-country skiing, skate-skiing and snowshoeing on the trails. In 2015/2016, the Nordic & Trail Centre sold an estimated 8,765 permits to local residents and tourists, a 55% increase over the 5,650 permits sold in 2013/14.

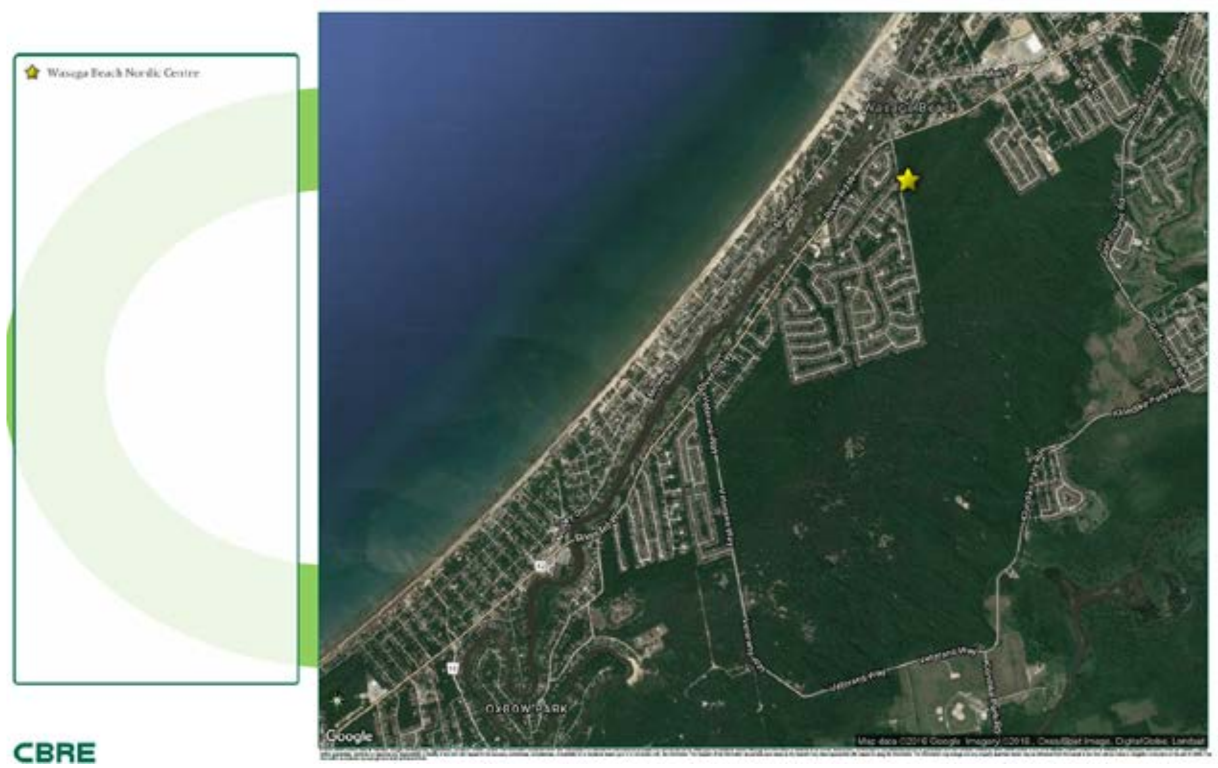
Approximately 800 acres of these trails within the Provincial Park feature what is known as the Lakelands dune complex, a rare ecosystems inclusive of small dunes which were produced at the end of the last ice age, contributing to a rolling landscape inside of a hardwood forest.

[1] Source: *Town of Wasaga Beach Visitor Guide, 2016/17*

Trails of Wasaga Beach Map



Wasaga Beach Nordic Centre Location Map



CBRE

Simcoe County

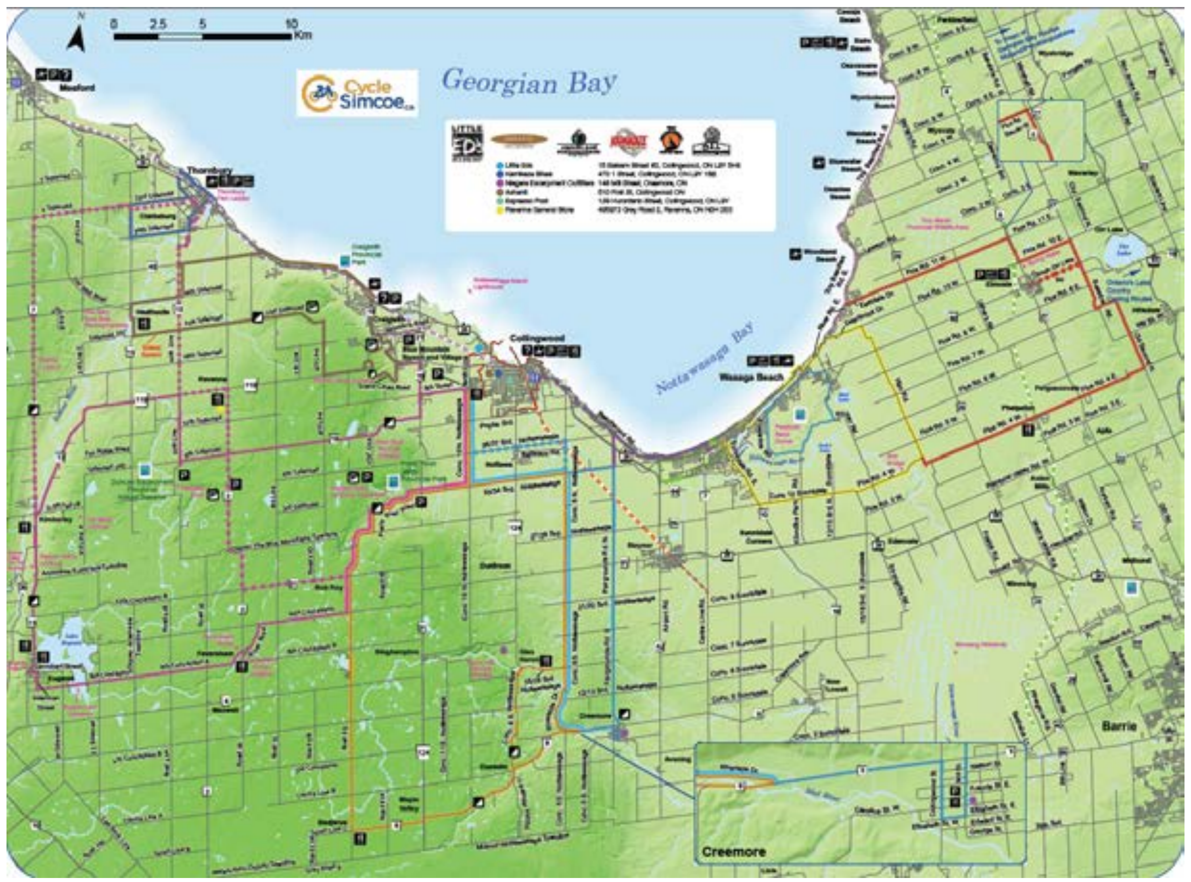
A County-wide cycling development strategy is currently underway with funding provided by the Ontario Trillium Foundation. Specifically, a new County Cycling Strategy Coordinator has been hired for the next two years to undertake the following:

- Develop signage to increase road safety, public education and media support; and
- Enhance accessibility through a website and map, which will promote routes for those less familiar with the area and ensuring that cyclists experience a safe, memorable and enjoyable riding experience.

The two primary bicycle routes highlighted on Cycle Simcoe's South Georgian Bay interactive map for the Town of Wasaga include the Community Bike Loop (14 km, starting at 30 Lewis Street) and the Iron Bridge Route (35 km, starting at the Wasaga Beach RecPlex, 1724 Mosley Street).

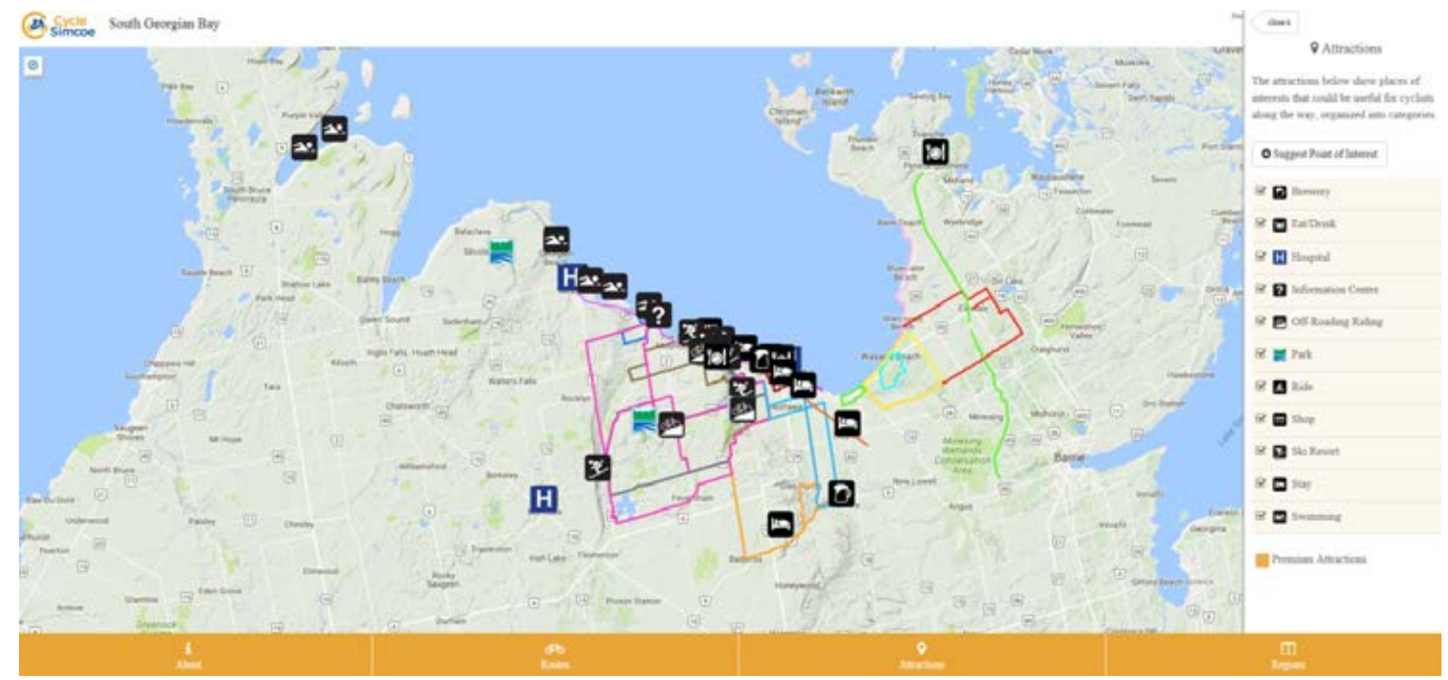
The Downtown Masterplan will promote strong connectivity of pedestrians, cyclists and motor vehicles between the Main Street and Beach Areas 1 and 2, while providing links to Collingwood and Niagara Escarpment based routes.

Cycle Simcoe Map



Source: *http://cyclesimcoe.ca*

Cycle Simcoe South Georgian Bay Interactive Map – Attraction Filter



Source: *http://cyclesimcoe.ca*

A.3 PARKING ANALYSIS

Wasaga Beach Parking Inventory

There are approximately 2,790 parking spaces offered in Beach Areas 1 and 2, with 45% owned and operated by the Town of Wasaga Beach, 39% owned by the Provincial Park and the balance (16%) comprised of privately-owned lots. An additional 1,721 provincial and private parking spaces are located Beaches 3 to 6 and the Allenwood and New Wasaga, for a total Wasaga Beach parking inventory of approximately 4,500 spaces. Of the total Wasaga Beach parking inventory, the Provincial Park owns 56% of the supply (2,511 spaces), while the municipality offers 28% (1,249 spaces) with private lots comprising the remaining 17% (751 spaces).

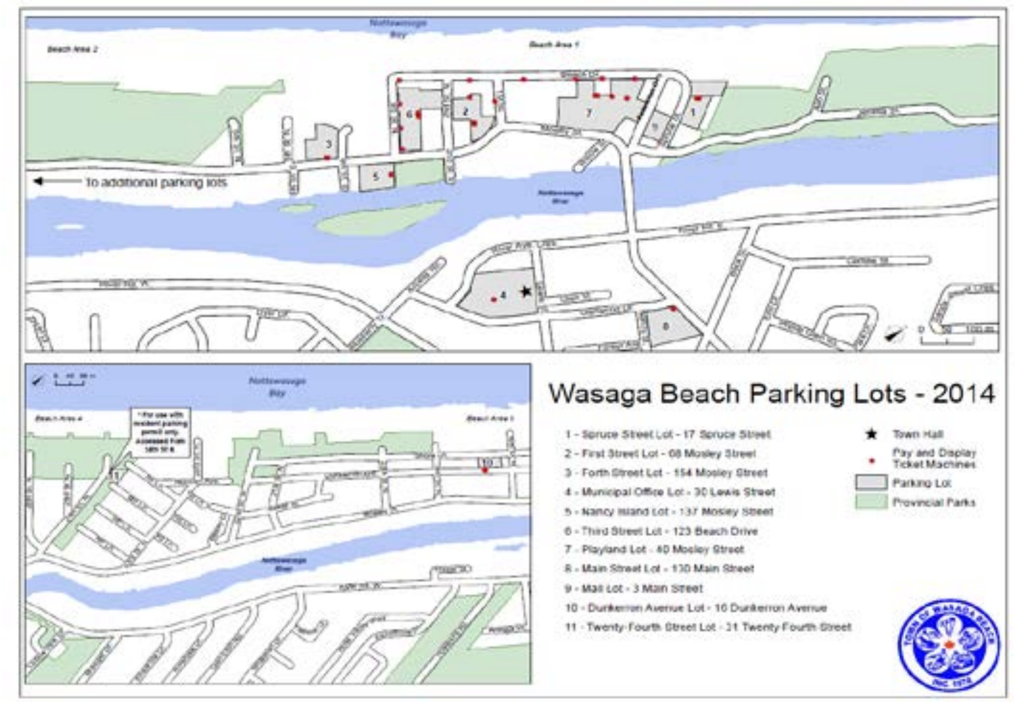
Wasaga Beach Parking Space Inventory

Lot Area / 0 wnership		Spaces
Beach 1 and 2 Parking Lots		
Provincial Lots		
	Beach Area 1	711
	Beach Area 2	379
	Subtotal	**1,090**
Muncipal Lots		
	Beach 1 Public Lots	858
	Municipal Picnic Area	150
	Nancy Island	93
	4th Street	148
	Subtotal	**1,249**
Private Lots		
	Beach 1	451
	Subtotal	**451**
	Beach 1 and 2 Parking Spaces	**2,790**
Beach Areas 3 to 6 Parking Lots		
Provincial Lots		
	Beach Area 3	327
	Beach Area 4	250
	Beach Area 5	316
	Beach Area 6	196
	Allenwood	181
	New Wasaga	151
	Subtotal	**1,421**
Private Lots		
Cottage Courts, Private Lots, (Est)		300
	Subtotal	**300**
	Beach 3 to 6 Parking Spaces	**1,721**
Total Parking Spaces		**4,511**

Source: *Town of Wasaga Beach, Wasaga Beach Provincial Park*

As shown below, the inventory of municipal parking lots is largely concentrated in the Beach 1 and 2

Wasaga Beach Municipal Parking Lot Inventory – 2014 Map

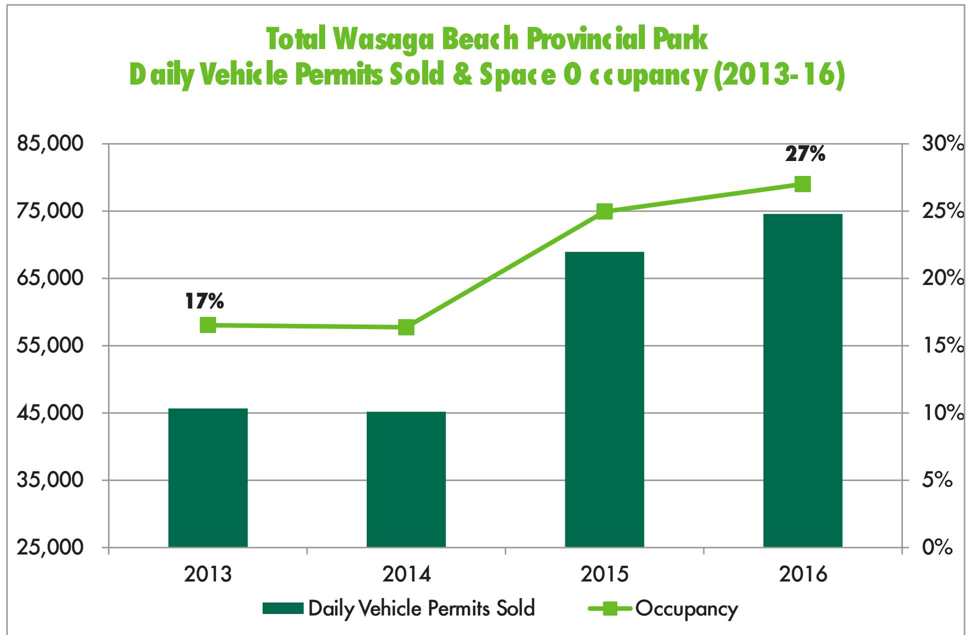


Source: www.wasagabeach.com

areas.

Historic Wasaga Provincial Park Parking Utilization

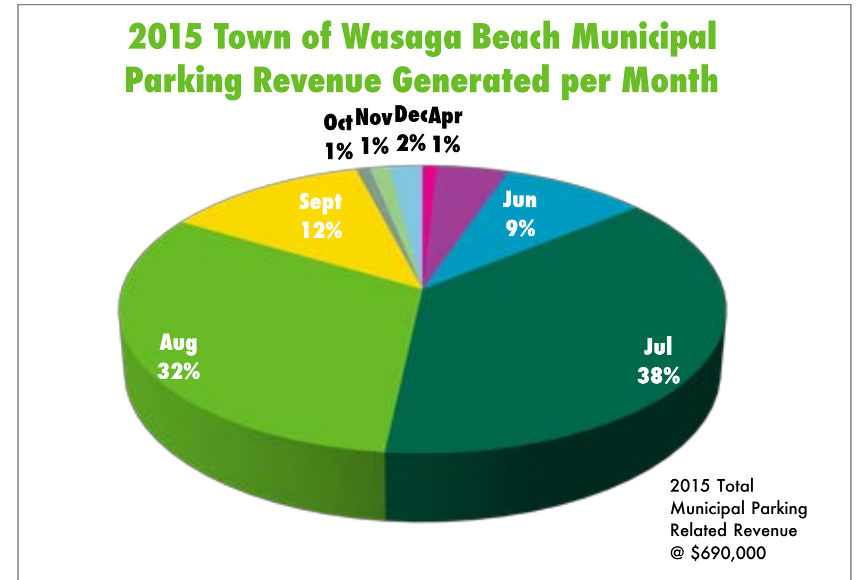
Based on Wasaga Beach Provincial Park statistics, approximately 69,000 provincial park daily vehicle permits were sold in 2015, representing a 53% increase over 2014 levels. Based on year to date August 2016 statistics, the Provincial Park saw a further 8% growth in attendance, with an estimated 74,600 daily permits sold. Based on an operating season of 110 days (May 24th to Labour Day), and an inventory of 2,500 spaces, it is estimated that the Provincial Park parking lots had an overall occupancy of 30% in 2016. While the parking spaces in Beach Areas 1 and 2 tend to reach capacity limits during peak weekend periods, visitors can utilize other parking lots/spaces that are lower in demand due to their location slightly further away (closer to Beaches 3-6 and the Allenwood and New Wasaga Beaches).



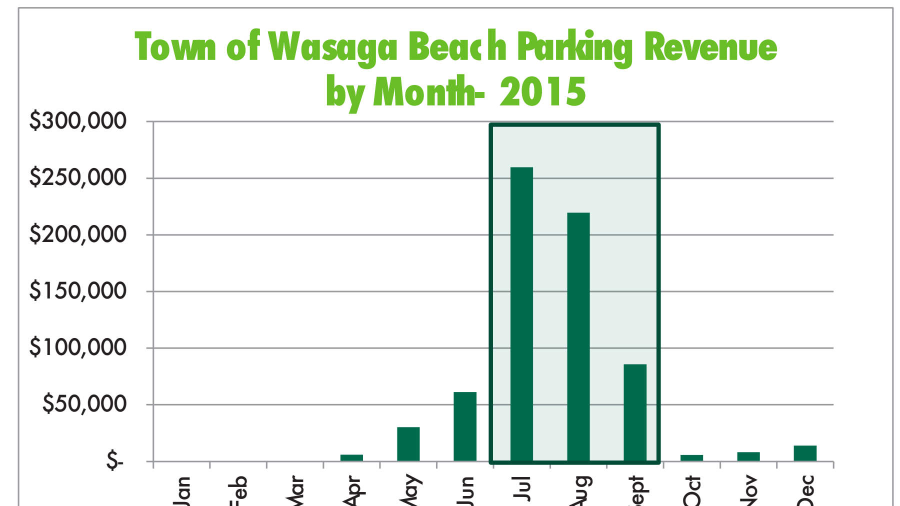
Sources: *Town of Wasaga Beach, Wasaga Beach Provincial Park*

Historic Municipal Parking Revenues

In 2015, the Town of Wasaga Beach collected an estimated $690,000 in parking permit revenues from the Town's municipal parking lots and meters. In line with seasonality of visitation to the area, the months of July, August and September showed the largest proportion of parking revenue in 2015, with the combined three months accounting for 82% of overall revenues. The month of July comprised the largest amount of parking revenues at 38% followed by August at 32% and September at 12%.

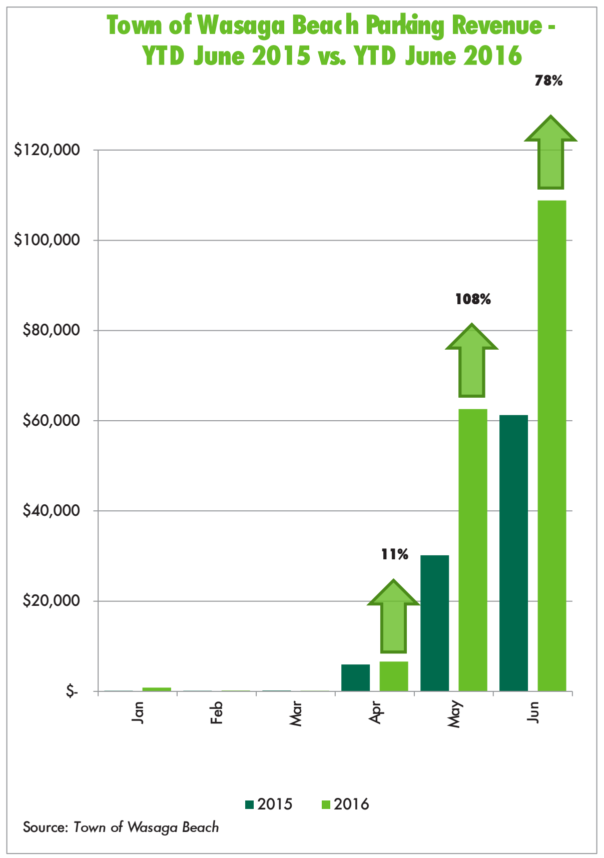


Source: *Town of Wasaga Beach*



Source: *Town of Wasaga Beach*

Based on year-to-date June 2016 results, it appears that parking revenue is slated to achieve significant growth over 2015 levels. Specifically, the months of May and June showed growth of 108% (to $62,600 in 2016) and 78% (to $108,800 in 2016) respectively.



The dedicated need for an organized parking infrastructure review will assist with assessing the traffic associated with the existing vehicular connectivity system and seasonal transit system during the peak of tourist season in Wasaga Beach.

CONSULTANT REPORTS

B.1 HOSPITALITY REPORT (CBRE)

WASAGA BEACH ACCOMMODATION DEVELOPMENT PLAN - MARKET & FINANCIAL ANALYSIS

Downtown Development Master Plan for Wasaga Beach, ON

CBRE File No.:16-APPRHOTELS-0085

January 2017

Prepared for:
The Corporation of the Town of Wasaga Beach
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CBRE

Table of Contents

Introduction

Introduction: Wasaga Beach Accommodation Development Plan – Market & Financial Analysis

INTRODUCTION

Study Background

Over the past 10 years, there have been a number of development plans and studies which have examined various levels of hospitality and tourism development initiatives for Wasaga Beach. These development programs have ranged from an extensive mixed-use, four season resort development on Beach 1 & 2 to stand-alone accommodation developments.

A fire destroyed much of the privately-owned properties along the Wasaga beachfront in 2007, and a developer purchased many of the waterfront properties in 2008/09 with a plan for re-development. Proposed in 2009, the Blue Beach Avenue Development called for a $500 Million, 15 year development program, including a 250-unit four season Waterpark Hotel, a 200-unit full service resort hotel, a 70,000 square foot Family Entertainment Attraction, a 120,000 square foot retail and foodservice commercial development and a 625-unit resort residential development. Proponents of the project purchased many of the existing businesses along the waterfront for enterprise value in order to develop the lands, however, they ran into financial difficulties and filed for bankruptcy in 2010. CBRE Hotels (formerly PKF Consulting) was actively involved in the market and financial assessment of that project.

CBRE Hotels (formerly PKF Consulting) has also completed a number of studies on behalf of the Town of Wasaga Beach and private sector interests over the past 5 years which have considered:

- A stand-alone branded hotel;
- A mid-scale extended stay hotel of between 65 to 80 units, located within the Upper Main or Lower Main area of Wasaga Beach; and
- A mixed-use Resort Development on Beach 2 with 80 units.

In each of these previous studies, the findings indicated that a stand-alone hotel or resort would not be able to support its development costs off cashflow due to the highly seasonal nature of demand which is largely comprised of summer-time leisure tourists. In order for any hotel/resort development to attract a developer, the equity requirements for the project would need to be mitigated by other sources of revenue to meet the return expectations on the project as a whole for the developer. Typical sources of additional revenue could be realized through the development and sale of adjacent resort residential units, which in turn could generate acceptable development profits to attract a developer to the project. Whether the resort setting is one of sun and sand, or snow and ski, or an indoor waterpark, destination resorts commonly feature some form of real-estate ownership programs.

Through CBRE's previous work in the Town's hospitality sector, the seasonality of Wasaga Beach as a destination was a barrier to the long-term viability of stand-alone hotel development. This has had a strong influence on the determination of the most appropriate "Tourist District" facility program for Wasaga Beach.

To date, the Town of Wasaga Beach has been unsuccessful in its efforts to attract a hotel developer to come into the community. In 2015, the Town of Wasaga Beach took the bold initiative to purchase over 70% of the commercial properties at Beach 1 and 2, and engaged in an extensive community consultation process which has resulted in the subject Downtown Development Master Plan.

Hospitality and Tourism Development Options

For the subject Downtown Development Master Plan for Wasaga Beach, we looked at two different accommodation-based commercial development opportunities for the Beach Tourist District:

1. Waterpark Resort Attraction on Beach 2 – to generate new tourist and residential demand
2. Boutique Hotel on Beach 1 – to support other commercial / residential components

For each of the two development options, we have undertaken the following analysis:

- Evaluated market potential
- Recommended a facility program
- Projected future occupancy, utilization, average daily room rate, per spends and operating performance over a five-year projection period, allowing for economic conditions as well as supply and demand growth prospects
- Provided an overview of the investment and implementation considerations

In meeting the study objectives the results and analysis within the preceding report has involved the following steps:

- Discussions with key regional stakeholders;
- A review of strategic planning documents, tourism-related strategies and population and growth projections for Wasaga Beach;
- A review of the most recent Statistics Canada's Travel Survey of Residents in Canada (TSRC) and International Travel Survey (ITS) for visitor volumes to Simcoe County (CD 43);
- A review of comparable facilities, attractions and accommodations in Ontario;
- A review of existing resort accommodation facilities located in Ontario, including an assessment of facilities offered and proposed, published room rates and market demand segmentation;
- An estimate of future growth in supply of, and demand for hotel accommodation in the competitive market area;
- Preparation of development programs for the proposed facilities; and
- Preparation of preliminary utilization and operating projections for the subject proposed hotels for the first five years of operation, based on identified sources of market demand and attraction generated demand.

Preliminary Conclusions

Based on our market and financial analysis, presented herein, the following preliminary conclusions are offered.

Waterpark Hotel

A 250-unit resort hotel featuring a 60,000 square foot indoor waterpark, restaurants, meeting space, arcade and retail amenities has been proposed as part of the Resort District on Beach 2. This development opportunity is seen as a major attraction for Wasaga Beach, which will generate year-round demand for the community, inducing increased levels of visitation, particularly from the family market, with young children as well as the meeting/conference segment. However, capital costs for this type of development will be significant, at an estimated $125 Million or $500,000 per room and as such, this development will likely have economic and investment challenges. In order for a developer to generate an expected return on equity of at least 15%, the developer would need to bring $50 Million in equity to the project; support $50 Million in debt from operating cash flow; and would still require another $25 Million in unencumbered equity (with no expectations of return) for the project. Sources for the unencumbered equity would likely be provided through the profits generated through adjacent residential sales. Unless the waterpark hotel is a significant catalyst to sell additional residential units in the Resort District, this development opportunity is not seen as a short term initiative, but rather part of a Long Term development opportunity for the Town. Furthermore, the likelihood of sourcing an interested developer to invest $50 Million in equity for this project will be difficult.

Boutique Hotel

An 80-room boutique hotel as part of a mixed-use development adjacent to the Event Plaza at the Main End of the Beach is seen as a development opportunity which has more likelihood of being realized in the short term. This development is seen as a part of an overall mixed use resort residential development, which will include 245 to 400 residential units, as well as retail and foodservice offerings. It is assumed that most of the purchasers of the residential units will likely only use their units while vacationing in the area, and for the balance of the year, will return the unit to the resort operator's rental pool. The Boutique Hotel will in turn manage the rental pool on behalf of the owners, in addition to operating an 80-room hotel for transient use. With capital costs in the order to $15 Million ($180,000 per room), this development opportunity has a stronger likelihood of attracting a private sector investor in the near term due to its requirement for a much lower investment of approximately $5.5 Million in equity, as compared to a Waterpark Hotel. With operating revenues derived from the hotel and a rental pool, the project could support $9 Million in debt, while providing an adequate return on equity.

Entertainment Zone

A third component, an Entertainment Zone to complement accommodation / commercial / residential components at Beach Areas 1 and 2, is not currently defined at a level in which we could prepare a market or investment analysis, but should be considered as part of the overall conceptual plan.

In order to bring back the "fun" of Wasaga Beach, an entertainment zone has been proposed for the central core of the beachfront, between the Main End Event Plaza and the Resort District. This area will offer seasonal outdoor rides and attractions, geared to all age groups, while also providing a park-like setting with trails, water play areas, and pristine views of the beachfront which can be utilized on a year-round basis. While the Town may choose to be the catalyst developer of this opportunity in the short term, as the full Master Plan is realized, a private sector developer may also be attracted to own and operate the attraction and/or partner with the Town in its development. As noted, we have not prepared projections for this opportunity.

The following sections identify the market dynamics that justify the subject development programs, followed by the full operating projections for each component.

Economic and Tourism Overview

Regional Overview

ECONOMIC OVERVIEW

Town of Wasaga Beach

Featuring the world's longest freshwater beach at a length of 14 kilometres, Wasaga Beach has been considered one of the premier tourist destinations in Ontario for over a century. The Town of Wasaga Beach has a rich history as one of Ontario's premier summer tourist destinations dating back to the early 1800's. The area's original settlement was a logging and fishing village settled along the shores of the Nottawasaga River, a main waterway that runs through the Town today. In the early 1900's the region progressively transformed into a popular tourist destination for the military families at nearby Base Borden, and GTA residents visiting the area to enjoy the white-sand, freshwater beach.

The Town of Wasaga Beach was incorporated in 1974 when the Wasaga Beach Provincial Park was established. Wasaga Beach Provincial Park, covers a natural area of 6.8 hectares (731,950 sq.ft.) and protecting wildlife habitat and nesting shorebirds.[1] There are six public beach areas numbered from 1 to 6 (one long beach divided into numbered sections), as well as the New Wasaga and Allenwood beaches which are cut off from the other beaches by the mouth of Nottawasaga River, however are frequented just as much by seasonal residents and tourists. Specifically, Beach 1 offers all of the bars, beach-themed shops and fast food restaurants, comfort stations and playground equipment, Beaches 2 to 4 feature shaded trees, comfort stations and picnic areas and Beaches 5 and 6 are utilized by more seasonal and year-round cottage owners. In addition Beach 3 and Allenwood also feature Ontario Kiteboarding Association (OKA) Official Launch zones. The Town has established a positive relationship with Wasaga Beach Provincial Park, partnering on a number of tourism related initiatives geared to improve both the quality of the beach and its use by residents, seasonal cottagers and tourists.

Wasaga Beach is located 25 minutes east of the Blue Mountain Resort area, a four season destination which has evolved from a winter alpine skiing resort, a 30 minute drive from Barrie and 1.5 hour drive from Toronto.

Population

The Town has grown from a cottage community to a full-service urban municipality, with a current population of over 19,645 permanent residents. This growth has been particularly strong since 1996, when Wasaga Beach was seen as one of the fastest-growing municipalities in Canada. The Town also has approximately 9,000 seasonal residents, who own cottages/seasonal homes in the area.

Continued population growth is expected for Wasaga Beach, with the total population projected to reach 21,000 persons by 2021 and 27,500 by 2031, as per the County of Simcoe Official Plan. Data relating to Wasaga Beach's local economy are included in the following table:

[1] Source: *Ontario Parks*

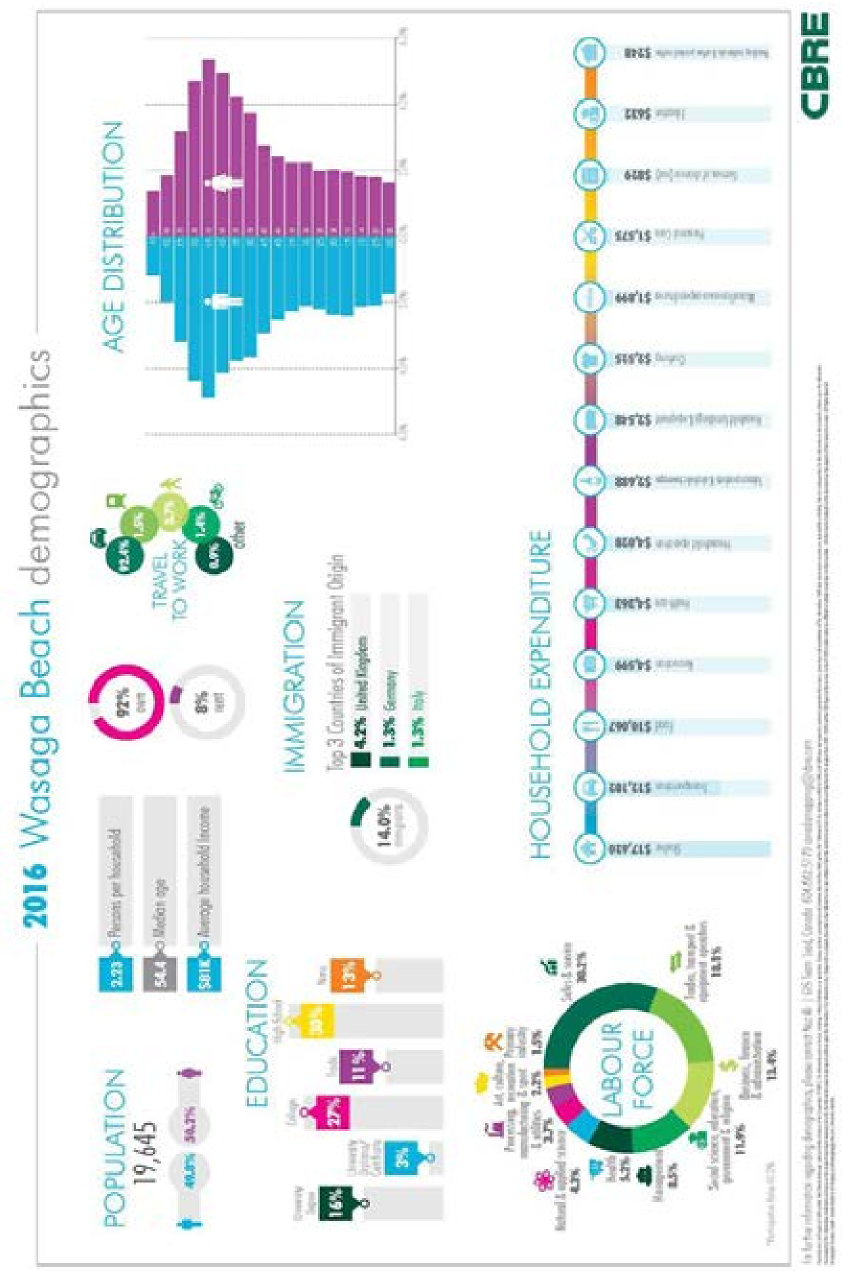
WASAGA BEACH(CMA) ECONOMIC PROFILE
DEMOGRAPHICS

Population 2016 Estimate	% of Canadian Total	% Change 2011-2016	Average Annual Growth Rate 2011-2016	
19,645	0.1%	9.8%	2.0%	
Household Income – 2016 Average				
% Above/Below National Average	Total Income 2016 Estimate	% Canadian Total	Per Capita	Hhlds. $100,000+
17.6% Below	$705,939,000	0.1%	$35,935	30.0%
Household Spending – 2016 Average				
% Above/Below National Average	Total Household Spending 2016 Estimate	% Canadian Total	Per Capita	Per Household
13.1% Below	$847,952,231	0.1%	$43,164	$97,142

Source: Sitewise, 2016

Economic data relating to Wasaga Beach is summarized below, with further detail in the infographic on the following page.

- As one of Canada's fastest growing communities situated on the world's longest freshwater beach, Wasaga's population has grown by approximately 1,750 people in the past 5 years, specifically expanding by 9.8% over 2011 levels to reach an estimated 19,650 persons in 2016.
- At $81,000 in 2016, the average household income in Wasaga Beach is estimated to be 18% below the national average, with only 30% of households making more than $100,000 per year at a per capita income of $35,900.
- In line with household income, household spending in Wasaga Beach is about 13% below the national average; with a per capita spend of approximately $43,200.
- At an average of $17,620, shelter represents the highest level of household spending, with recreation representing about $4,600 per household.
- The population of 19,645 residents in 2016 represented 8,900 households, at an estimated 2.23 persons per household.
- The median age in Wasaga Beach was 54.4 years in 2016, with a fairly equal distribution of men to women.



The top PRIZM5 classifies Canadians into one of 68 categories, based on their demographics, marketplace preferences and psychographic social values. Based on CBRE research and analysis, the top 5 lifestyle types in Wasaga Beach by population include segments largely comprised of middle-aged and older residents, many of whom are empty nesters. With a significant proportion of Wasaga's population comprised of retired individuals, the Town is also looking to attract a growing families, young couples, resort recreational residents, as well as retirees.

WASAGA BEACH TOP 5 PRIZM5 LIFESTYLE TYPES BY POPULATION – 2016 ESTIMATES

PRIZM5 Lifestyle Segment(#)	Population in Wasaga Beach	Description
Traditional Town Living (47)	6,767	- Middle-aged and older middle-income homeowners - Enjoy the great outdoors, hunting, fishing, gardening and cycling in their free time - When in need of a change of scenery, they might head for the low-key comforts of their favourite campground
Heartland Retirees (33)	6,485	- Rural, older and mature lower-middle-income couples - Canada's highest concentration of Baby Boomers - Empty nester couples & retirees living in unpretentious single-detached houses and mobile homes - Enjoy camping and gardening, as well as almost anything with a motor (pickups, power boats, RVs, snowmobiles etc.)
Country Acres (35)	2,320	- Middle-aged and older rural couples and families - 9/10 are homeowners, typically living in modest single-family houses - Spend their leisure time outdoors, enjoying hunting, fishing, boating and camping - Typically have to leave town for their entertainment (ex. exhibitions featuring cottages, boats, golfing and pets)
Emptying Nests (10)	1,306	- Older, upper-middle-income suburban couples - Consist of married couples over 55 whose children have flown the coop - Tend to live in single-detached and row houses in developments built over the last thirty years - Enjoy cultural activities, going to the ballet and opera performances, community theatres and film festivals, attend exhibitions (craft, cottage, investment & travel shows) - Many have the time and money to travel, allowing for long-haul international trips
Serenity Springs (54)	1,126	- Mature, lower-middle-income town singles and couples - Mostly a retirement lifestyle, with more than half the household maintainers over 55 years old and a third are over 65 - Lower-middle-income seniors who are aging in place and watching their wallets - Traditional households where men fish and go boating, while women garden and bake – both enjoy craft and home shows - Often must travel distances for entertainment options - Low rates for visiting other countries, vacation means driving to a provincial park to go boating or bird watching

Source: Environics Analytics, Sitewise 2016

In line with the population clusters currently represented in the Top 5 Prizm categories for Wasaga Beach, there are a number of residential developments currently under construction or recently completed that are geared towards family, resort recreational residents and empty nesters. Some specific examples follow:

- Villas of Upper Wasaga by Baycliffe Homes Inc. is a new single family home development under construction at 26 Wasaga Sands Drive. The development has 367 units with prices ranging from $379,990 to $464,990. Phase 1 homes are already sold out, with Phase 2 registration currently occurring.
- BEACH20 luxury 3-bedroom townhouses are currently under development by Bremont Homes in Wasaga Beach, at 878 Mosley Street. The development will have a total of 15 units and completion is scheduled for May 2017. Available units are starting from the low $400,000's.
- In 2016, the master-planned community of Georgian Sands by Elm Developments was announced. This new four-season community will be located at 305 River Road West beside a golf course and will feature landscaped parks and trails and new cafes and retail shops within walking distance. This townhouse and single family home development will have a total of 273 units and is currently in the preconstruction phase.[2]

Transportation

The Town of Wasaga Beach is serviced by the main north-south highways of HWY 400 and 27, which direct travelers to the Town via County Road 92 and Highway 26. During the peak summer months, the Town of Wasaga Beach has historically indicated that traffic congestion problems can occur. The congestion issues are due in part to the increased visitation from cottagers and tourists and the lack of road lanes, as the primary access routes within the town are two lane highways.

The nearest public airport to the Town of Wasaga Beach is the Town of Collingwood Municipal Airport. It is equipped with a 5,000-foot jet runway capable of handling small jets. Additionally, the Town of Wasaga Beach is approximately 125 km from Lester B. Pearson International Airport, which has daily flights to most major national and international destinations.

Labour Force

The top five industries in Wasaga Beach by number of employees are outlined in the following table:

TOP 5 INDUSTRIES BY LABOUR FORCE – WASAGA BEACH - 2016 ESTIMATES

Industry	Number of Employees	% of Total Employees
Retail Trade	1,788	17%
Construction	1,115	11%
Accommodation and Food Services	1,021	10%
Health Care and Social Assistance	1,019	10%
Public Administration	873	8%
Total Labour Force	**10,390**	

Source: Sitewise 2016

[2] Source: ww.buzzbuzzhome.com, www.baycliffehomes.com, www.bremonthomes.com, http://elmdevelopments.com

Tourism is the main economic driver for the community. According to the County of Simcoe Economic Development Office, from 2013 to 2015, the fastest growing industries in Wasaga Beach included accommodation and food services, education services, utilities, and professional, scientific and technical services.[3] The Town of Wasaga Beach has an estimated labour force of 10,390 persons. Currently, the most significant labour force industry is Retail Trade, employing about 17% of total employees (1,790 persons).

TOP 5 OCCUPATIONS BY LABOUR FORCE – WASAGA BEACH - 2016 ESTIMATES

Occupation	Number of Employees	% of Total Employees
Sales and Service	3,139	30%
Trades, Transport and Equipment Operators & Related	1,875	18%
Business, Finance and Administration	1,388	13%
Social Science, Education, Government Service & Religion	1,236	12%
Management	879	9%
Total Labour Force	**10,390**	

Source: Sitewise 2016

Sales and Service positions, which include hospitality and tourism, comprise the largest number of jobs, employing approximately 30% of the labour base. The majority of these positions are seasonal.

The following is a list of recently completed and proposed developments in Wasaga Beach:

- A new Main Street Market opened within the former Pedestrian Mall Area at Beach One in July 2016. The seasonal outdoor Market features local cuisine on a daily basis, free movies on Wednesdays and live music on Friday and Saturday evenings, and represents a good starting point to implementing the subject Downtown Master Plan for the Beach area. The programming is slated to expand in 2017 to Tuesdays to Sundays during the summer months.
- In 2016, the Town of Wasaga Beach retained Altus Group Economic Consulting to review the need for a secondary school in the Town. Currently, secondary students who live in Wasaga Beach commute to high schools in Collingwood, Elmvale and Clearview Township. Study results stated that growing population trends within Wasaga Beach demand the provision of a high school, which would allow the Town to function as a complete community, enabling them to accommodate the daily needs of all residents.
- In order to improve lighting quality and increase both energy efficiency and cost savings, new LED Streetlight installation has taken place over the last two years in Wasaga Beach. A total of 2,112 cobra-head streetlights were upgraded in 2015, and an additional 900 decorative street lights were upgraded in 2016.
- The Town has been in discussions with the Ontario Lottery and Gaming Corporation (OLG) since 2015, regarding the potential for a gaming facility to be developed in Wasaga Beach. Town Council has indicated that there is support for a 300 slot casino as part of a mixed-use, larger resort-style development. OLG anticipates to award the request-for-proposal to an operator by the end of 2017, at which time the selected operator will be able to decide if/where a new casino would be located (Wasaga Beach or Collingwood). If the facility were to be located in Wasaga Beach, it could result in a significant influx in year-round demand for the Town.

[3] Source: *County of Simcoe Economic Development Office, Data Report: Town of Wasaga Beach, June 2016*

Building Permit Values

Total building permit values in Wasaga Beach reached almost $59 million in 2014, which included 525 permits. In 2015, the number of permits increased slightly to 533, while the value declined by 8%. Led by strong residential growth, 2016 permit activity showed an increase of 27% in the number permits issued and 80% growth in the total value of permits issued when compared to 2015.

WASAGA BEACH PERMIT ACTIVITY
2015 – 2016 (VALUE IN $ MILLIONS)

	2011	2012	2013	2014	2015	2016
Total Permits Issued	663	578	647	525	533	677
Estimated Value of Residential Construction	$58.2	$41.7	$69.0	$52.8	$51.9	$95.1
Estimated Value of Non-residential Construction	$5.3	$1.1	$1.9	$5.8	$1.9	$1.5
TOTAL Construction Value	**$63.4**	**$42.7**	**$70.9**	**$58.6**	**$53.7**	**$96.5**

Source: Town of Wasaga Beach

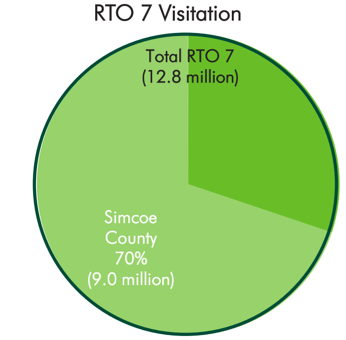
TOURISM OVERVIEW

Simcoe County Visitor Market

The volume and value of tourism in Canada is measured by Statistics Canada through two primary surveys: the Travel Survey of Residents of Canada (TSRC) and International Travel Survey (ITS). In turn, the Ontario Ministry of Tourism, Culture and Sport (MTCS) customizes the data to reflect specific sub-regional provincial regions and the formats required by MTCS's Tourism Regional Economic Impact Model (TREIM). In Canada, a domestic tourist is someone who takes an "out-of-town" trip for one or more nights, or a same day out-of-town trip that takes them at least 40 km one-way from his/her home.

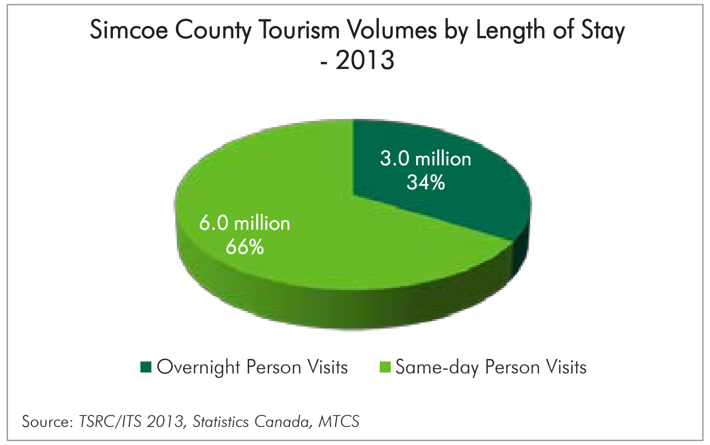
Regional Tourism Organization 7 (RTO7) consists of Bruce County, Grey County and Simcoe County. In 2014, RTO 7 attracted an estimated 12.8 million person visits, wherein 35% were overnight trips. Of total RTO 7 visitation, Simcoe County (CD 43), which includes Barrie, Collingwood, and Wasaga Beach accounted for approximately 70%, attracting 9.0 million visits.

Simcoe County Visits as a Proportion of Total RTO 7 Visitation

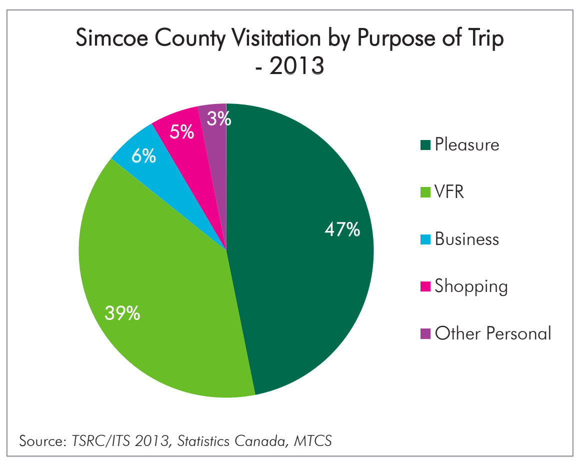


Source: TSRC/ITS 2013-14, Statistics Canada, MTCS

As shown below, same day visits comprised 66% of total trips to the County (6.0 million visits), while overnight visits accounted for the remaining 34% (3.0 million visits).



The majority of trips to Simcoe County are made for pleasure purposes (47%), followed by trips to visit friends and relatives (39%), and for the purpose of business (6%). The remaining trips are made for the primary purposes of shopping (5%) or other personal reasons (3%).



Simcoe County residents travelling within the County comprise 17% of overall visitation (1.5 million trips), while other Ontario residents accounted for 80% (7.2 million trips) and residents from other Canadian provinces constitute less than 1% (100,000 trips) of total visits. Visitation from U.S. and overseas generated approximately 2% of the total, or 200,000 trips in 2013.

Tourism Volumes to Simcoe County by Place of Residence - 2013

Place of Residence	Visits to Simcoe County	%
Total Person Visits	9,000,000	100%
Simcoe County	1,500,000	17%
Other Ontario	7,200,000	80%
Other Canada	100,000	1%
US & Overseas	200,000	2%

Source: *TSRC/ITS 2013, Statistics Canada, MTCS*

Residents from the Greater Toronto Area (RTO 5) comprise approximately one-in-every-three tourist visits to Simcoe County in 2013 (3.1 million trips). With 1.8 million visits, RTO 7 (Bruce Peninsula, Southern Georgian Bay and Lake Simcoe) residents also account for a significant proportion of visitation (20%), followed by those residing in RTO 6 (York, Durham and Hills of Headwaters) who comprise 16% of visits (1.4 million trips).

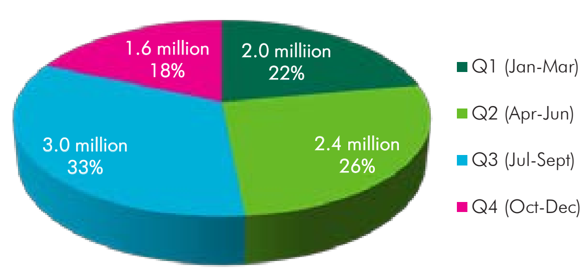
Tourism Volumes to Simcoe County by Key Markets - 2013

Place of Residence	Visits to Simcoe County	%
Total Person Visits	9,000,000	100%
Region 5: Greater Toronto Area	3,100,000	34%
Region 7: Bruce Peninsula, Southern Georgian Bay, Lake Simcoe	1,800,000	20%
Region 6: York, Durham, Hills of Headwaters	1,400,000	16%
Region 3: Hamilton, Halton, Brant	800,000	9%
Region 4: Huron, Perth, Waterloo, Wellington	400,000	4%

Source: *TSRC/ITS 2013, Statistics Canada, MTCS*

From a seasonality perspective, visitation to Simcoe County was highest from July to September (Quarter 3) with 33% of total visits, followed by April to June (Quarter 2) with 26%. Minimal fluctuations in visitation were seen in the remaining periods, with January to March (Quarter 1) accounting for about 22% of visitation and October to December (Quarter 4) slightly lower at 18%. These statistics are heavily influenced by the four season nature of Collingwood and Barrie as destinations, with visitation to Wasaga Beach largely remaining between Victoria Day and Labour Day.

Simcoe County Visitation by Quarter - 2013



Source: TSRC/ITS 2013, Statistics Canada, MTCS

Simcoe County visitors spent an estimated $952 million in the County during 2013. Overnight visitors generated about 55% of total tourism spending ($527 million), for an average of $173 per overnight visit, or $72 per person per night. Same-day visitors spent the remaining $425 million, at an average of $72 per person per day. An estimated $136 million (14% of visitor spending) was spent on accommodations and a further $120 million was spent on attractions, events and recreation (13% of spending) in Simcoe County.

Total Simcoe County Visitor Spending - 2013

	Visitor Spending	%
Total Visitor Spending	$952,300,000	100%
Overnight Visitor Spending	$527,200,000	55%
Same-Day Visitor Spending	$425,100,000	45%
Avg Spend Per Person	$106	
Avg Per Person Per Overnight Visit	$173	
Avg Per Person Per Night	$72	
Avg Per Person Per Same-Day Visit	$72	
Visitor Spending Categories		
Transportation	$200,400,000	21%
Restaurant and Bars	$237,100,000	25%
Grocery/Liquor Stores	$113,600,000	12%
Accommodation	$136,200,000	14%
Attractions/Events/Recreation	$120,400,000	13%
Clothing/Retail	$144,600,000	15%

Source: TSRC/ITS 2013, Statistics Canada, MTCS

Wasaga Beach Visitor Market

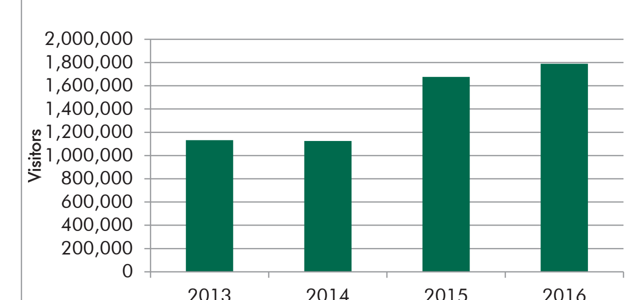
Despite a lack of tourism visitation and volume data at the granular level for the Town of Wasaga Beach, available data on the number of visits made to Wasaga Beach Provincial Park provides an indicator of visitation to the Town. Visitation has been calculated based on an analysis of Provincial Park parking permits sold, which assumes that there are 4 persons within every vehicle parked. Based on aerial photographs and counts, the Park assumes that for each person visiting the Provincial Park (4 per vehicle) there are another 5 persons on the beach. As a result of these assumptions, visitation to Wasaga Beach is expected to reach 1.8 million visitors in 2016, a 7% increase over prior year results and a growth of 665,000 visits since 2014. Visitation to the Park is heavily influenced by weather conditions, with the past 2 years enjoying excellent summer temperatures and modest rain. On a busy weekend during the summer, Wasaga Beach attracts an estimated 30,000 to 40,000 visitors.

Estimated Visitation to Wasaga Beach Provincial Park 2013 to 2016

Year	Provincial Park Daily Permits Sold	At 4 Persons Per Vehicle	Additional Wasaga Beach Visitation, based on 5 persons per person parked	Total Wasaga Beach Visitation	% Change
2013	45,658	182,632	948,851	1,131,483	
2014	45,197	180,788	944,750	1,125,538	-1%
2015	68,958	275,832	1,401,216	1,677,048	49%
2016	74,600	298,400	1,492,000	1,790,400	7%

Source: Ministry of Natural Resources, Wasaga Beach Provincial Park

Estimated Historic Visitation to Wasaga Beach
2013-2016



Source: Wasaga Beach Provincial Park Data & CBRE

The Existing Hospitality and Tourism Product

Accommodations

The accommodation inventory within the Town of Wasaga Beach is largely comprised of relatively dated cottage cabin courts, motels and campgrounds. The newest property is the Riverside Docks, which opened in 2014 with 22 rooms in a 3 storey-building. In 2016, there were 114 motel/cottage properties offering a total of 1,047 rooms on a permanent and seasonal basis combined. With almost half of the properties operating on a seasonal basis, only 61 motels/cottages with 579 rooms remain open year-round. During non-peak periods, many seasonal properties convert into low-income rental housing units, in most cases resulting in extensive wear which lowers the quality level of accommodations. Recent trends show a decrease in accommodation supply as an estimated 50 units have fully converted into long-term rental units to address cashflow issues, since this model enables them to collect a steady flow of rent on a year-round basis. Occupancy rates for Wasaga Beach accommodations are in the 40 to 50% range, at an average daily rate of $120 to $135 over the past 2 years. Assuming the average accommodation unit attracts 4 persons for a 2 night stay, overnight visits to Wasaga Beach are estimated to be in the range of 115,000 to 145,000 person visits. With 1.8 million visitors to Wasaga Beach Provincial Park in 2016, approximately 1-in-every-10 visitors stay overnight in the Town's commercial accommodation units. Given the limited appeal of the current dated accommodation inventory, the Town has difficulty attracting visitors considering a stay longer than a day trip.

The Town also has 7 campgrounds (1 permanent) with a total of 1,194 sites, which attract seasonal residents and a younger clientele with a reputation for rowdy behaviour. In addition, two local marinas offer a total of 105 slips as well as public launch facilities.

WASAGA BEACH TOURISM INVENTORY - 2016

Type	Number of Properties	Rooms / Sites / Slips
Permanent Motels / Cottages	61	579
Seasonal Motels / Cottages	53	468
Total Motels / Cottages	114	1,047
Permanent Campgrounds	1	149
Seasonal Campgrounds	6	1,045
Total Campgrounds	7	1,194
Permanent Marinas	1	80
Seasonal Marinas	1	25
Total Marinas	2	105

Source: Town of Wasaga Beach

Attractions, Festivals and Events

Attractions

The core attraction in Wasaga Beach is the 14 km sand beach situated on the southern shores of Nottawasaga Bay. Wasaga Beach is also the first provincial park in Canada to be awarded the "Blue Flag" designation for its banks management efforts under the international environmental standards. It is the central driver of visitation to the Town and the majority of visitors spend at least a portion of their time at the beach. Due to its location within the Provincial Park, the beach has an increased level of credibility. Specifically, the Park manages the beach through the provision and maintenance of the basic supporting

infrastructure components (parking, cleaning, washrooms, signage etc.) and ensures environmental conservation. Other natural features in Wasaga include the Nottawasaga River, Nottawasaga Bay and the dunes, which currently do not function as key attractions, however present potential for the future.

There are a variety of supporting attractions in Town, however many function on a seasonal basis and present limited appeal for tourists. Attractions include Wasaga 500 Go-Karts, Skull Island Mini-Golf and Hand Racing, an indoor remote control race track, with an outdoor track expected to open in Spring 2017.

Festivals and Events

From May to September 2016, Wasaga hosted approximately 32 events. Most Town events are held in the Provincial Park and include the support and involvement of Park staff. For the last three years, one of the largest Town events has been the Electric Elements Music Festival, which was expected to attract between 12,000 to 15,000 to the Playland Park Square in Beach Area 1 and 2 in 2016 and the Stonebridge Wasaga Beach Blues held in September. Another large event is the Wasaga Beach Motorcycle Rally, which is in its' second year and was expected to see about 13,000 people in 2016, after having seen attendance of 7,000 in 2015.[4] A number of events also take place in the non-summer period, such as the Santa Claus Parade in November.[5] A complete listing of Wasaga's 2016 Events/Festivals hosted from May to September follows:

WASAGA BEACH EVENTS/FESTIVALS HOSTED
MAY TO SEPTEMBER 2016

Event/Festival	Date	Event/Festival	Date
Wasaga's Finest Citizen Awards	May 14	Underground Series	July 8-10
Electric Elements	May 22	Wasaga Beach Motorcycle Rally	July 15-17
Adopt-a-Road	May 28	Wasaga Beach Ribfest	July 22-24
Purina® Walk for Dog Guides	May 29	Not So Pro Volleyball	July 23-24
Scouts Soap Box Derby	June 4	F-series Truck Rally	July 30
Public Open House & BBQ	June 4	Dunes & Discs – Ultimate Frisbee Beach Tournament	July 30-31
Heart & Stroke Big Bike	June 8	Palaver International Literary Festival	August 6-7
Kite Fest	June 18	5K Foam Fest	August 13
Wasaga Water Front Festival	June 19	Wasaga under Siege	August 13 & 14
Wasaga Cruiser's Fun Run	June 24 & 25	Mayors 2016 Golf Challenge	August 26
Wasaga Beach Stand Up Paddleboard Fest	June 25	MultiSport Triathlon	August 27-28
Georgian Triangle Music Festival	June 30, July 1	Dinner and a Movie	Wednesdays September & October
Main Street Market	Fridays July 1st- September 2	Inflate-A-Fest	September 2-4
Canada Day	July 1	Memories of Summer Fireworks	September 4
Fire Fit Championships	July 2 & 3	Terry Fox Run	September 18
Jazz in the Park	Tuesdays July & August	Stonebridge Wasaga Beach Blues	September 16-18

Source: Town of Wasaga Beach

4 Source: *www.theenterprisebulletin.com*

5 Source: *Town of Wasaga Beach*

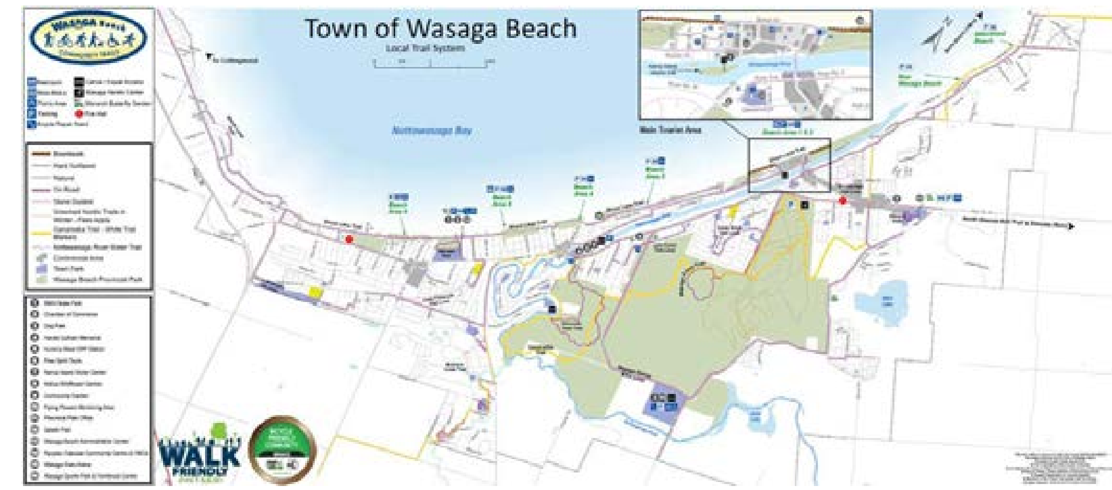
Supporting Infrastructure

Food and Beverage Outlets

Wasaga Beach has a limited inventory of food and beverage establishments. The only non-fast food branded restaurants in Town are Sunset Grill, Swiss Chalet and Boston Pizza, however there are a number of good quality independent establishments. Due to a lack of quiet adult or family focused restaurants, it is likely that Wasaga Beach loses potential food and beverage business to restaurants in and around Collingwood.

Recreation and Culture Facilities

Wasaga Beach also features a significant network of community trails, with 40 kilometres off road and 34 kilometres of paved shoulders used for hiking, cycling and other passive recreation activities. A new *Trails of Wasaga Beach* map (see below) was recently developed and highlights the Town's scenic biking, hiking, snowshoeing and ski trails, as well as proposed trails for the future.



Recreation facilities in Wasaga Beach include the Sports Park & Fernbrook Centre (5 baseball diamonds and 10 soccer fields, a fully accessible playground, 6 horseshoe pitches, a floating dock and canoe launch), RecPlex and the Arena/Rec Hall. Although there is no concentrated strategy in place to attract sports tourism to the area, the Town hosts a number of tournaments and camps that see visitation from the broader region. Interviews with local accommodation operators indicated that they are losing overnight demand related to sports tournaments to the newer branded hotels in the Collingwood market and Blue Mountain accommodation supply.

Cultural facilities consist of a library, the Nancy Island Historic Site and Visitor Information Centre. Wasaga Beach's year-round Visitor Information Centre opened in 2012 to highlight the natural and cultural offerings of the Wasaga Beach area and to commemorate the bicentennial of the War of 1812. The "Welcome Centre" includes a gift shop, tourist information, staff offices, meeting space, washrooms and an interpretative exhibit gallery that relates to the Nancy Island Historic Site and Wasaga Beach Provincial Park.[6] As part of the consultation process for the subject Downtown Master Plan, residents expressed an interest in the development of a Culture Centre for Wasaga Beach.

Parking

Wasaga Beach has three types of parking lots: provincial, municipal and private. There are approximately 2,790 parking spaces within Beach 1 and 2, with 39% owned by the Provincial Park and the balance (61%) comprised of municipal and privately-owned spaces. An additional 4,179 provincial and private parking spaces are located in close proximity to Beaches 3 to 6 and the Allenwood and New Wasaga beaches.

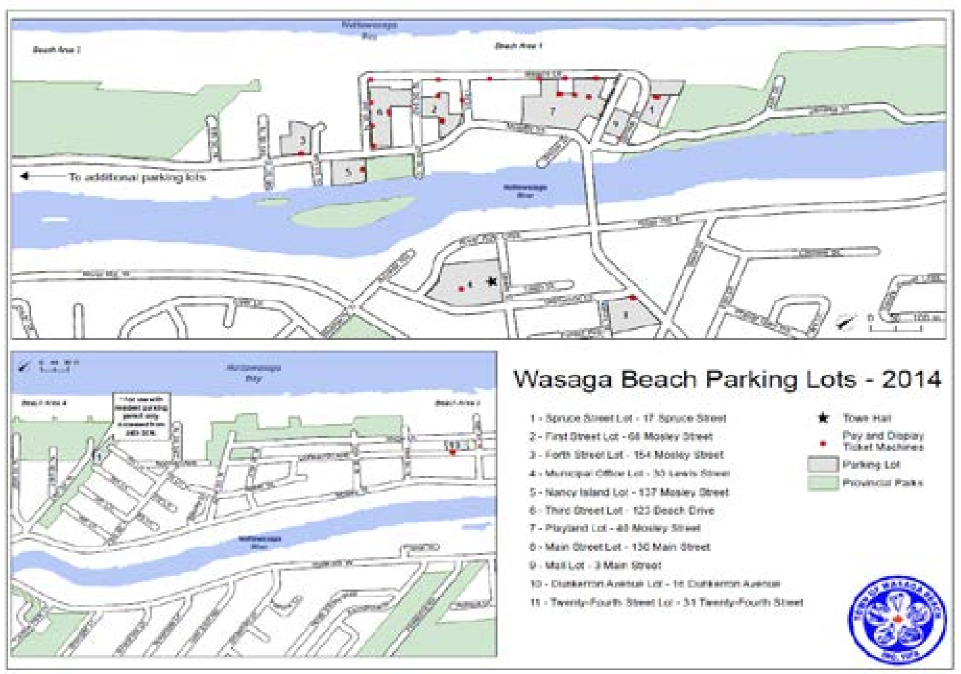
[6] Source: *www.wasagabeach.com*

Wasaga Beach Parking Space Inventory

Lot Area / Ownership	Spaces
Beach 1 and 2 Parking lots	
Provincial Lots	1,090
Other Municipal and Private Lots	1,700
Total	2,790
Remaining Parking Lots	
Provincial Lots	1,089
Private Lots	300
Total	1,389
Total Parking Spaces	4,179

Source: *Town of Wasaga Beach, Wasaga Beach Provincial Park*

Wasaga Beach Municipal Parking Lot Inventory – 2014 Map



Source: *www.wasagabeach.com*

Parking spaces at Beaches 1 and 2 typically fill up during weekends in the summer, with visitors also utilizing other parking lots/spaces that are lower in demand due to their location slightly further away (closer to Beaches 3-6 and the Allenwood and New Wasaga Beaches).

Conclusions

The Town of Wasaga Beach is a highly seasonal resort community with significant potential; however, the average household income is over 17% below the national average, and the Town is currently perceived to be an "economy destination" from a tourism standpoint. The majority of visitors derive from the GTA, followed by central Ontario and the southwestern Ontario. Key challenges for the community from a destination perspective include: seasonality, lack of alternative attractions over and above the beach, transportation/traffic congestion, quality of accommodation and foodservice offerings, and minimal levels of sustainable development.

Although the Town has seen recent growth in visitation levels due to excellent summer weather conditions, beyond the natural offerings of the Beach and Provincial Park, tourism attractions are limited, seasonal and provide limited appeal for visitors. With an aging accommodation inventory, a lack of branded foodservice offerings, and limited attractions, the Town loses much of its potential overnight demand to nearby areas like Collingwood and Blue Mountain.

Waterpark Hotel: Wasaga Beach Accommodation Development Plan – Market & Financial Analysis

Waterpark Hotel

INTRODUCTION

Waterpark Resort Trends – North America

The development of indoor waterpark resorts and the addition of indoor waterparks to existing hotels have become a more widespread phenomena since 2000 in the North American hotel industry. This growth is due to their popularity with children and the interest by parents and grandparents in selecting lodging locations that will be fun for their kids. Indoor waterpark resorts are also increasing in popularity for short weekend and two or three day trips for families who may not have enough time for lengthier vacations. Historically, growth of indoor waterparks in resorts and hotels has primarily been in summer resort locations, however development has also taken place in suburban and urban locations.

Hotel and Leisure Advisors (H&LA), a US company that deals in this sector, defines an Indoor Waterpark resort as a "Lodging establishment containing an aquatic facility with a minimum of 10,000 square feet of indoor waterpark space and inclusive of amenities such as slides, tubes, and a variety of indoor water play features." H&LA has further classified indoor waterpark resorts into 2 categories:

1. A resort which offers over 30,000 square feet of indoor waterpark space and is considered a true destination resort that is the primary motivator for families to visit on a year-round basis; or

2. A hotel with an attached indoor waterpark with between 10,000 to 30,000 square feet of space, which serves as an amenity to the hotel versus a true destination.

The below table details the three types of indoor waterparks that currently exist and are being developed in the US and Canada.

TYPES OF INDOOR WATERPARKS

	Hotel with Water Features	Hotel with Indoor Waterpark	Indoor Waterpark Destination Resort
Size of Aquatic Area	1,000 to 10,000 sq.ft.	10,000 to 30,000 sq.ft.	30,000+ sq.ft.
Possible Amenities	Swimming pool, slide, toddler area, spray gun	Multiple slides, tree house with slides, spray guns, tipping buckets, Jacuzzi, various pools, lazy river	Multiple slides, tree house with slides, spray guns, tipping buckets, Jacuzzi, various pools, lazy river, wave pool, water coaster, surfing, outdoor waterpark features
Capacity	Up to 250	250 to 750	750 to 5,000
Minimum # of Lifeguards	1	3	10
Arcade Size	1 to 1,000 sq.ft.	1,000 to 3,000 sq.ft.	3,000 to 10,000 sq.ft.

Source: Hotel & Leisure Advisors

When compared to a typical hotel that includes a waterpark, destination waterpark resorts differ in that they feature additional resort and leisure amenities. Ancillary amenities at waterpark destination resorts can include large arcades, retail shops, multiple food and beverage outlets, spas, fitness facilities, kids clubs, indoor playgrounds, bowling, and/or more. With regard to accommodation types offered, various room types typically exist, such as kid-centric themed rooms and suites.

Growth in indoor waterpark development is occurring as a fundamental part of some destination resorts (typically independent) and as an amenity in some existing hotels (usually franchised). Two trends are currently taking place. The first is the development of franchised hotels with indoor waterparks, as well as the addition of waterparks to existing properties, generally with smaller indoor waterparks being attached to smaller hotel projects. In these developments, waterparks act as a guest amenity, and are not the all-encompassing focus of a hotel. In general, these hotels have performed worse in terms of average daily rate and occupancy and have produced more conflicts between corporate and family guests. The second trend is that larger destination resorts, inclusive of more expansive waterpark areas and additional amenities, are also under development and opening across North America (primarily in the US). The primary target market for these resorts is leisure travelers that are attracted by the waterpark features. These resorts have achieved better performance results, primarily due to offering an array of attractions and amenities and focusing on attracting leisure guests.

There are a number of factors that contribute to the success of waterpark resorts. The following list includes examples of some waterpark resort success factors:

- Typically they tend to feature a number of larger themed rooms where 4 or more guests can stay, and their room rate includes entrance to the waterpark. As a result, guests are willing to pay higher room rates for the waterpark amenity;
- They cater to families with children from 2 to 14 years of age, traveling with their parents and grandparents;
- They typically achieve occupancies in the 50% to 60% range, which is higher than the typical resort (more likely to achieve occupancies in the 50% range);
- Typically 180 non-school days in the year, that will generate higher occupancy levels;
- Access to major markets within 200 kilometres and easily accessible from major highways; and
- They are primarily constructed in historically summer resort locations, with strong leisure demand.[7]

Key Waterpark Resort Brands – North America

Great Wolf Lodges – With 13 locations (soon-to-be 14 in late 2016) in North America, Great Wolf Resorts is the largest family of indoor water parks with hotels. Resorts feature specialty themed entertainment offerings including restaurants, spas, arcades, water park attractions and activities, which are designed to extend the average length of stay and capture larger proportions of family vacation expenditures. The first property opened in Wisconsin Dells in 1997, with the most recent resort development in Colorado Springs expected to open in late 2016. Plans for future resort development in key North American and International Markets are already underway.

Great Wolf Resorts' mission is "to create family traditions, one family at a time." The Great Wolf Lodge model portrays rustic Northwoods-themed décor with spacious and functional all-suite rooms and timbered grand lobbies. Specifically, hotels can accommodate between 250 to 600 guest suites, large indoor and

[7] Source: *CBRE Research*

outdoor water park facilities that are usually around 75,000 square feet, and overall indoor development areas that typically cover 433,000 square feet.8

Great Wolf's portfolio of properties can be divided into two types; Generation I and Generation II, which classify properties by the specs shown below.

GREAT WOLF LODGE TYPES

	Year Opened	# of Rms	Waterpark Sq.Ft.	Amenities	Meeting Space Sq.Ft.
Generation I	Before 2004 IPO	Avg. less than 400	Avg. less than 65,000	Fewer amenities and F&B outlets	Less than 8,000
Generation II	Since 2004	Avg. more than 400	Avg. more than 95,000	Large offering of amenities and F&B outlets	Properties built since 2006 include larger meeting space offerings

Source: CBRE Research

Kalahari Waterparks, Resorts & Conventions – Privately owned and operated by the Nelson family, these resorts portray an authentic African theme and experience. Resorts feature an all-under-one-roof concept and offer guests an array of amenities inclusive of award-winning restaurants, retail shops, fitness centres, indoor theme parks, full-service spas, state-of-the-art meeting and convention facilities, and America's largest indoor waterparks. Three locations currently operate in the US:

Properties	Year Opened	Employees	# of Rooms & Breakdown by Type	Indoor Waterpark Sq.Ft.	Outdoor Waterpark Sq.Ft.	Convention Centre Sq.Ft.	Other Amenities	Development
Wisconsin Dells, WI	2000	1,100	756 rms, includes 96 three-key condos and 16 stand-alone five bedroom suites	125,000	77,000	100,000	110,000 sq. ft. ind. theme park, FS spa, 3 dining facilities, retail shops, fitness centre, indoor playground, 15-screen cinema, Music Theatre and 27-hole Golf Club	Dec.2011 opened multimillion dollar waterpark renovation project with a new slide structure and an African-themed children's water play feature
Sandusky, OH	2005	1,300	884 rms, including 192 three-key condos	173,000	77,000	215,000	115,000 sq. ft. Safari Outdoor Adventure Park,FS spa, retail shops, ind. mini-golf, indoor playground, arcade, fitness centre and three on-site dining outlets	Dec.2011 opened a $22 million convention centre expansion
Pocono Mtns., PA	2015	N/A	457 rms, including one-, two- and three-bedroom suites	100,000	sq.ft. N/A	65,000	30,000 sq. ft. family entertainment centre, full-service spa, three dining facilities, 6,000 square feet of retail shops and a fitness centre	Phase II construction underway and once complete in Spring 2017, will bring the resort to almost 1,000 guest rooms in total, a 200,000 sq. ft. indoor waterpark and an expanded outdoor waterpark

Source: *Kalahari Resorts & Conventions*

In addition, Kalahari has announced that they intend to open their newest location in the city of Round Rock, Texas. With creation of the land use plan and zoning changes slated to begin in Spring 2016, expected timing for development completion is no later than December 2021.[9]

CoCo Key Water Resorts – Inclusive of at least 8 locations, situated in the US (Orlando, Kansas City, Mount Laurel, Newark, Cincinnati, Rockford, Omaha and Danvers). Properties feature a Key West theme and an

[8] Source: *Great Wolf Resorts, Inc.*
[9] Source: *www.roundrocktexas.gov*

indoor water park (excluding Orlando, which offers an outdoor water park). When Coco Key Resorts first opened they were owned by a single entity, however following financial problems the entity sold its properties. Currently, each resort is owned and operated independently, however they maintain branding and portray a similar style and feel. On average, the indoor waterparks at CoCo Key Resorts are approximately 60,000 square feet and include body slides, tube slides, a lazy river, an activity pool, an outdoor/indoor whirlpool spa and an interactive play centre (with small slides and a tipping bucket). Water park access is included in hotel guest stays, however passes are also available for the general public.[10]

Inventory of Waterpark Hotels/Resorts – Canada & Ontario

In Canada, there are two properties that would be considered destination waterpark resorts. The first Canadian indoor waterpark destination resort was the Fantasyland Hotel/World Waterpark at the Edmonton Mall, which opened in 1985. The resort offers 355 rooms and 218,000 square feet of indoor waterpark space. The second destination waterpark resort is Great Wolf Lodge Resort, which opened in Niagara Falls, Ontario in 2006 and is currently the only franchised waterpark in Canada. Great Wolf Lodge features 406 rooms and an indoor waterpark that spans over 100,000 square feet.

As shown below, there is an inventory of 6 waterpark hotel/resort facilities in Ontario, comprised of properties with waterparks spanning more than10,000 square feet. With 3 properties, the largest supply of waterpark hotels is within Niagara Falls, specifically with the Fallsview Indoor Waterpark attached to 4 hotels. On average, Ontario waterpark hotels feature 425 rooms and waterparks that span approximately 60,000 square feet and include 7 waterslides. Typically, other waterpark amenities include wave pools, water play structures, tipping buckets, whirlpools/Jacuzzis, activity pools, kiddy pools and/or private cabana rentals. In addition, ancillary hotel/resort amenities include a variety of leisure offerings ranging from spas, fitness centres and multiple food and beverage outlets to arcades, bowling alleys, mini-golf and indoor tennis courts.

[10] Source: *themeparks.about.com*

ONTARIO HOTEL WATERPARK FACILITIES

#	Property Name	City	Prov.	Rms	Type	Waterpark Space (SF)	# of Water Slides	Waterpark Day Pass Admission Price (non-guests)	Other Waterpark Amenities	Total Meeting Space (SF)	Meeting Space SF per Room	Restaurant	Café / Lounge	Gift Shop	Fitness Centre	Spa	# of Spa Treat. Rooms
1	**Great Wolf Lodge**	Niagara Falls	ON	406	Resort	103,000	13	N/A	9 splash and play pools, 12 explorable levels in a 4-story tree house water fort, 1 tipping bucket	5,000	12.3	x	x	x	x	x	5
2	**The Americana Waterpark Resort**	Niagara Falls	ON	204	Resort	25,000	8	$34.95 +HST	Wave pool, tube slides, body slides, kiddy pool with toddler slides and swings, activity pool, tipping bucket, interactive water play structure, whirlpools, lounge areas, 16-person hot spa, retractable waterpark roof, private cabana rentals	12,508	61.3	x	x	x		x	7
3	**Fallsview Indoor Waterpark** (attached to 4 hotels- Sheraton on the Falls, Crowne Plaza Niagara Falls, Skyline Hotel & Waterpark, Clifton Victoria Inn at the Falls)	Niagara Falls	ON	1,234	Mix	125,000	16	$44.95 + HST	Tipping bucket, 6-storey high waterslides, wave pool, year-round activity pool and sundeck, plunge pool, 2 adult only jacuzzis and children's play area								
4	**Nottawasaga Inn Resort & Conference Centre**	Alliston	ON	269	Resort	70,000	1	N/A	3 storey 100 ft waterslide, indoor Tropical Rainforest themed 25 m swimming pool, large whirlpool and dry sauna	30,186	112.2	x	x		x	x	3
5	**Ambassador Hotel & Conference Centre**	Kingston	ON	245	FS	22,000	1	N/A	100 foot waterslide and splash pad, hot tub, steam room, European dry sauna, Eucalyptus Steam Room	20,000	81.6	x			x		
6	**Travelodge Ottawa West**	Ottawa	ON	196	LS	12,500	1	N/A	Indoor water park with a wavepool and waterslide								
			TOTAL	2,554		357,500	40			67,694	267						15
			AVG	426		60,000	7			16,924	67						5

Source: *CBRE Hotels Research*
Note: FS = Full-Service, LS = Limited-Service

WASAGA BEACH WATERPARK HOTEL CONCEPT AND CAPITAL COSTS

For the purposes of this analysis, we have assessed the development of a 250-unit waterpark hotel within the "Resort Zone" of Wasaga Beach.

The following table provides a facility program for the 250-room Waterpark Hotel, which would feature a 60,000 square foot indoor waterpark, a 200-seat restaurant, a 50-seat café/bistro, meeting and conference space of 10,000 square feet, an arcade, retail shops and a spa. A parking structure of 100,000 square feet would also be required.

PROPOSED WATERPARK HOTEL FACILITY PROGRAM

GUESTROOMS	% of Room Mix	Keys	Sq. Ft./Rm	Total GFA
Double Queen	70%	175	450	78,750
Kings	0%	0	425	0
Suites	30%	75	600	45,000
Total	*100%*	*250*	*495*	*123,750*
FOOD & BEVERAGE / BANQUETS		Seats	Sq. Ft./Rm	Total GFA
Restaurant / Bar		200	20	4,000
Indoor		*150*	*20*	*3,000*
Outdoor		*50*	*20*	*1,000*
Café/Bistro		50	20	1,000
Indoor		*30*	*20*	*600*
Outdoor		*20*	*20*	*400*
Total		*250*	*20*	*5,000*
MEETING/CONFERENCE FACILITIES		Capacity	Sq. Ft./Rm	Total GFA
Ballroom		417	12	5,000
Meeting Rooms		208	12	2,500
Boardrooms		83	12	1,000
Pre Function		125	12	1,500
Total		*833*	*12*	*10,000*
OTHER			Sq. Ft./Rm	Total GFA
Indoor Waterpark			240	60,000
Lockers / Change Rooms			20	5,000
Birthday Party Rooms sq.ft. (div by 3)			6	1,500
Total			*266*	*66,500*
OTHER REVENUE CENTRES			Sq. Ft./Rm	Total GFA
Arcade/FEC			30	7,500
Retail Shops			6	1,500
Spa			12	3,000
Total			*48*	*12,000*
BOH / CIRCULATION			Sq. Ft./Rm	Total GFA
BOH / Circulation			331	82,750
PARKING			Sq. Ft./Space	Total GFA
Parking Structure		250	400	100,000
Total Hotel GFA			*1,600*	*400,000*

Source: CBRE Hotels

Note: FEC = Family Entertainment Centre, BOH = Back of House, GFA = Gross Floor Area

The estimated capital cost budget for the subject waterpark hotel is approximately $125 million, inclusive of parking estimated at $10 million and the waterpark estimated at $33 million. Capital costs have also included an allocation of $2.5 million for 10 acres of land.

Proposed Waterpark Hotel, Wasaga Beach, ON - Development Cost Budget

Year	Total Cost	Cost Per Room	% of Total
Land	$2,500,000		2%
Guestrooms	$28,125,000		23%
Food & Beverage	$1,125,000		1%
Meeting Rooms	$2,250,000		2%
Waterpark	$33,250,000		27%
Retail	$2,700,000		2%
BOH/Circulation	$18,618,750		15%
Parking	$10,000,000		8%
FF&E	$7,500,000		6%
Soft Costs/Other			15%
TOTAL	**$125,000,000**	**$500,000**	**100%**

Source: CBRE Limited

Note: BOH = Back of House, FF&E = Furniture, Fixtures & Equipment

MARKET ANALYSIS

Competitive Hotel Market

There are approximately 1,914 rooms or 698,460 available room nights, which would comprise the subject resort's primary competitive market. The competitive market includes hotel/resort properties located in the Blue Mountains and Collingwood areas, as well as Wasaga Beach's permanent and seasonal accommodation supply (motels/cottages/cabins).

Competitive Market

No.	Name	Location	Rooms	Type	Total Meeting Space (SF)	Meeting Space SF per Room	Restaurant	Lounge	Breakfast Servery	Swimming Pool	Fitness Centre	Business Centre
1	Comfort Inn & Suites Collingwood	4 Balsam St., Collingwood, ON	73	Limited Service Hotel	-				x	x	x	x
2	Days Inn & Suites Collingwood	15 Cambridge St, Collingwood, ON	77	Limited Service Hotel	450	5.8			x	x	x	x
3	Westin Trillium House Blue Mountain	220 Gord Canning Drive, The Blue Mountains, ON	223	Full Service Hotel	7,000	31.4	x	x	x	x	x	x
4	Cranberry Resort	19 Keith Ave, Collingwood, ON	78	Full Service Hotel	10,000	128.2	x	x	x	x	x	x
5	Blue Mountain Inn	108 Jozo Weider Blvd, The Blue Mountains, ON	103	Full Service Hotel	13,000	126.2	x	x	x	x	x	x
6	Mountain Springs Resort & CC	796468 Grey Rd 19, The Blue Mountains, ON	144	Full Service Hotel	3,000	20.8	x	x	x	x	x	x
7	Blue Mountain Resort Condos	156 Jozo Weider Blvd, The Blue Mountains, ON	605	Full Service Hotel	30,000	49.6	x	x	x	x	x	x
8	Collingwood Motel Supply	Collingwood, ON	229	Limited Service Hotel	-							
9	Luau Motel Wasaga	231 Mosley St, Wasaga Beach, ON	28	Limited Service Hotel	-					x		
10	Saga Motel Wasaga	88 Main St, Wasaga Beach, ON	28	Limited Service Hotel	-					x		
11	Riverdocks Wasaga	361 Mosley Street, Wasaga Beach, ON	22	Limited Service Hotel	-							
12	Seasonal Wasaga Supply (47 prop, 456 rooms after conv)	Wasaga Beach, ON	150	Limited Service Hotel	-							
13	Permanent Wasaga Supply (52 prop, 436 rooms after conv)	Wasaga Beach, ON	154	Limited Service Hotel	-							
Total			*1,914*									

Source: CBRE Hotels

Competitive Hotel Market – Historic Results

Based on our research, the competitive market has achieved the following results in recent years:

Competitive Market Performance Results

Year	Rooms Available	% Change	Rooms Occupied	% Change	Occupancy	Change	ADR	% Change	RevPAR	% Change
2011	711,315	-	318,205	-	44.7%	-	$145.31	-	$65.01	-
2012	713,264	0.3%	331,820	4.3%	46.5%	1.8	$148.86	2.4%	$69.25	6.5%
2013	690,430	-3.2%	329,634	-0.7%	47.7%	1.2	$153.31	3.0%	$73.20	5.7%
2014	693,715	0.5%	344,806	4.6%	49.7%	2.0	$158.30	3.3%	$78.68	7.5%
2015	698,460	0.7%	376,475	9.2%	53.9%	4.2	$167.04	5.5%	$90.03	14.4%
Compounded Annual Growth Rate	-0.5%		4.3%		4.8%		3.5%		8.5%	
August 2015 YTD	452,246	-	231,904	-	51.3%	-	$170.75	-	$87.56	-
August 2016 YTD	452,246		243,604	5.0%	53.9%	258.7%	$174.62	2.3%	$94.06	7.4%

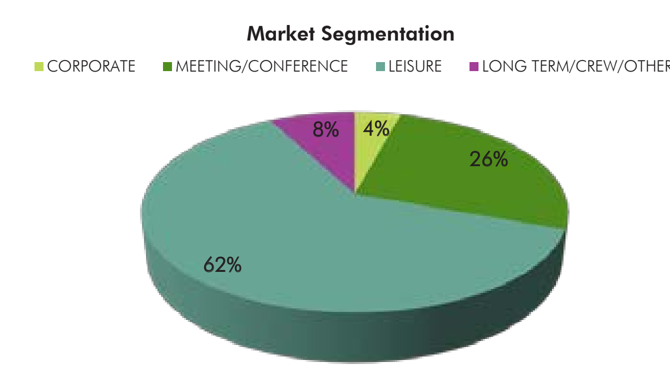
Source: CBRE Hotels
Note: ADR = Average Daily Rate, RevPAR = Revenue Per Available Room

- In 2013, the market experienced a decline of 3% in supply, resulting from the conversion of a number of Wasaga Beach transient accommodations into long term rental properties. With the exception of 2013, over the past five years the market has experienced minimal supply growth.
- For the most part, the market has seen steady demand growth in the last five years. Occupancy has shown a compounded annual growth rate of 4.8%, with a 4 point gain from 2014 levels to reach 54% in 2015.
- In the period YTD August 2016, demand increased by a further 5%. This, combined with no change in available supply, resulted in a YTD 2016 occupancy of 54%.
- With annual increases in demand, the market ADR increased by nearly 4% annually over the last five years. Specifically, average daily rate grew by almost 6% over 2014 levels to reach $167 in 2015.
- Market ADR has increased by 2% for the period YTD August 2016.
- After experiencing 14% growth in RevPAR in 2015, the market RevPAR has increased by 7% in YTD August 2016.

Competitive Hotel Market – Segmentation

In most markets, overall demand varies based on the nature of travel. Lodging demand is typically generated from four different segments: Corporate, Group/Meeting, Leisure travelers, and Other which includes government, contract, and/or crew business.

On the basis of CBRE Hotels market research, and discussions with local hoteliers the estimated market segmentation for the competitive market in 2015 is presented below:



Demand Segmentation - Competitive Market 2015

Segment	Room Night Demand	%
CORPORATE	15,719	4.2%
MEETING/CONFERENCE	99,515	26.4%
LEISURE	231,874	61.6%
LONG TERM/CREW/OTHER	29,367	7.8%

Compiled by CBRE Hotels

- With approximately 231,900 occupied room nights or 62% of total nights , the leisure segment made up the largest proportion of demand within the market in 2015.
- The group/meeting segment accounted for about 99,500 occupied room nights, comprising 26% of market demand.
- The other/contract segment generated about 29,400 occupied room nights or 8% of demand within the competitive market.
- The corporate segment generated the least amount of demand at approximately 15,700 room nights, or 4% of demand within the competitive market.

Competitive Hotel Market – Projected Results

The demand projections prepared for the competitive market are based on the economic outlook for the area, current market dynamics and anticipated changes in demand patterns throughout the projection period. The following summarizes our projections for future room demand and ADR growth.

- Based on year-to-date August results, the competitive market is projected to see overall demand growth of 7.0% in 2016. Coupled with unchanged supply, market occupancy is projected to increase to approximately 58% in 2016.
- With positive economic growth anticipated for the region, demand growth in the 1.0% to 2.0% range is projected to continue through to 2019. In 2020, due to the proposed boutique hotel opening, in conjunction with supply growth, demand is projected to increase by 7.5%.
- Over the projection period market occupancy is expected to reach 64% by 2021.
- Due to stable supply and demand fundamentals and projected economic conditions, average daily rate is projected to grow by 2.0% per annum. Between 2017 and 2021, ADR will improve from $174 to $188.

Overall Accommodation Demand for Competitive Market

	Projection 2016	Projection 2017	Projection 2018	Projection 2019	Year 1 2020	Year 2 2021
Available Room Nights	698,460	698,460	698,460	698,460	727,660	727,660
Occupied Room Nights	402,828	410,884	419,102	423,293	455,135	465,420
Market Occupancy	57.7%	58.8%	60.0%	60.6%	62.5%	64.0%
Demand Growth	7.0%	2.0%	2.0%	1.0%	7.5%	2.3%
Market Average Daily Rate	$170.38	$173.79	$177.26	$180.81	$184.42	$188.11
Rate Growth	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Source: CBRE Hotels

HISTORIC COMPETITIVE MARKET PERFORMANCE SUMMARY

Total Competitive Market

	2011	2012	2013	2014	2015	August 2015 YTD	August 2016 YTD
Rooms	1,949	1,949	1,892	1,901	1,914	1,853	1,853
Annual Occupancy	44.7%	46.5%	47.7%	49.7%	53.9%	51.3%	53.9%
Average Daily Rate	$145.31	$148.86	$153.31	$158.30	$167.04	$170.75	$174.62
RevPAR	$65.01	$69.25	$73.20	$78.68	$90.03	$87.56	$94.06
Available Room Nights	711,315	713,264	690,430	693,715	698,460	452,246	452,246
Occupied Room Nights	318,205	331,820	329,634	344,806	376,475	231,904	243,604
Room Revenues	$46,239,070	$49,394,380	$50,537,626	$54,584,154	$62,885,282	$39,597,584	$42,538,217

Market Segmentation

Competitive Market		
Segement	ORN	%
CORPORATE	15,719	4.2%
MEETING/CONFERENCE	99,515	26.4%
LEISURE	231,874	61.6%
LONG TERM/CREW/OTHER	29,367	7.8%
TOTAL	376,475	100.0%

Competitive Market

1	Comfort Inn & Suites Collingwood	2	Days Inn & Suites Collingwood
3	Westin Trillium House Blue Mountain	4	Cranberry Resort
5	Blue Mountain Inn	6	Mountain Springs Resort & CC
7	Blue Mountain Resort Condos	8	Collingwood Motel Supply
9	Luau Motel Wasaga	10	Saga Motel Wasaga
11	Riverdocks Wasaga	12	Seasonal Wasaga Supply (47 prop, 456 rooms after conv)
13	Permanent Wasaga Supply (52 prop, 436 rooms after conv)		

Source: CBRE Hotels
Note: RevPAR = Revenue Per Available Room

SUBJECT WATERPARK HOTEL UTILIZATION PROJECTIONS

Utilization projections for visitation to the proposed Wasaga Beach waterpark hotel have been estimated based on standard attraction industry market segments:

- **Primary Resident Market**: those residing within a 60 minute drive of Wasaga Beach;
- **Secondary Resident Market:** those residing within a 60 to 120 minute drive of the area;
- **Domestic Tourists:** tourists originating domestically who stay in registered accommodations within 60 minutes of the area; and
- **International Tourists:** tourists from international destinations that stay in registered accommodations within 60 minutes of the area.

Typically, the likelihood of visitation to attractions decreases from those who reside further away. Therefore, our available resident markets have been measured by two different drive times. While major attractions such as theme parks typically draw visitation from up to 120 minutes away, more localized/smaller attractions draw residents from areas within 60 minutes driving. Residents who travel from further away are more likely to stay overnight in the Town and for this reason are classified as tourists.

Estimates of market population and projected growth have been derived from Environics Analytics Sitewise data. As of 2016, the primary resident market included approximately 374,450 people residing within a 60 minute drive time of Wasaga Beach. An additional 5.9 million people reside within a 60 to 120 minute drive of the town, resulting in a total primary and secondary resident market of 6.2 million.

The volume and value of tourism in Canada is measured by Statistics Canada through 2 primary surveys: the *Travel Survey of Residents of Canada (TSRC)* and *International Travel Survey (ITS)*. Canada's definition of a **tourist or visitor** to a destination follows that adopted by the World Tourism Organization and the United Nations Statistical Commission: "the activities of persons traveling to and staying in places outside their usual environment for not more than one consecutive year for leisure, business and other purposes."

It is projected that visitors to the subject waterpark hotel will travel to the area for the primary purpose of pleasure, visiting friends and relatives (VFR), shopping or meetings. Using estimates from the most recent Statistics Canada visitor data for Simcoe County (CD43), an estimated 1.0 million visitors came to Wasaga Beach in 2016 from other parts of Ontario and Canada, with an additional 80,000 originating from the US and 40,000 from overseas locations. Combined, the total tourist market reached 1.5 million in 2016.

With 6.2 million people residing within a 120 minute radius, and a further 1.2 million from the total domestic, US and overseas tourist markets, the total available market population reached an estimated 7.4 million in 2016.

The Wasaga Beach proposed waterpark hotel visitation projections are summarized in the following table. As shown, the waterpark hotel is projected to attract a total of 220,000 visitors by its stabilized year of operation. Of total visitation, the primary resident market is projected to account for 16% (36,000 person visits), while the secondary resident market, largely from the GTA will make up 72% (160,000 visitors), with the remaining 11% comprising of the overnight tourist market (25,200 person visits).

PROPOSED WASAGA WATERPARK HOTEL
PROJECTED VISITATION AND RESIDENT MARKET PENETRATION (2016-2031)

	2016	2021 Projection	2026 Projection	2031 Projection
AVAILABLE MARKETS		Total #	Total #	Total #
PRIMARY RESIDENT MARKET (0-60 minutes)	374,447	394,383	412,689	423,006
Children 0-14	58,508	58,382	58,997	60,472
Youth 15-29	71,600	70,740	66,404	68,064
Adults 30-59	152,491	153,718	156,145	160,049
Adults 60-75	62,939	75,846	85,979	88,128
Adults 76+	7,487	35,697	45,164	46,293
SECONDARY RESIDENT MARKET (60-120 minutes)	5,853,031	6,179,813	6,485,672	6,647,814
Children 0-14	947,582	983,005	1,010,607	1,035,872
Youth 15-29	1,192,038	1,161,172	1,127,043	1,155,219
Adults 30-59	2,522,351	2,609,041	2,687,497	2,754,684
Adults 60-75	811,349	977,950	1,100,516	1,128,029
Adults 76+	379,711	448,645	560,009	574,009
Total Primary and Secondary Resident Markets (0-120 minutes)	6,227,478	6,574,196	6,898,361	7,070,820
TOURIST MARKET				
Domestic Tourists - Overnight	1,028,600	1,079,600	1,102,300	1,124,300
US Tourists - Overnight	82,400	86,500	88,300	90,100
Overseas Tourists Overnight	43,400	45,600	46,600	47,500
Total Tourist Market	1,154,400	1,211,700	1,237,200	1,261,900
TOTAL MARKET POPULATION	7,381,878	7,785,896	8,135,561	8,332,720
MARKET PENETRATION RATES				
RESIDENT MARKETS				
PRIMARY RESIDENT MARKET (0-60 minutes)	9.0%	9.0%	8.8%	8.5%
SECONDARY RESIDENT MARKET (60-120 minutes)	2.0%	2.7%	2.5%	2.4%
Total Primary and Secondary Resident Markets (0-120 minutes)	2.4%	3.1%	2.9%	2.8%
TOURIST MARKET				
Domestic Tourists - Overnight	1.8%	2.0%	2.0%	2.0%
US Tourists - Overnight	1.8%	2.0%	2.0%	2.0%
Overseas Tourists Overnight	1.8%	2.0%	2.0%	2.0%
Total Tourist Market	1.7%	2.0%	2.0%	2.0%
TOTAL MARKET PENETRATION	2.3%	2.9%	2.8%	2.6%
PROPOSED WASAGA WATERPARK HOTEL PERSON VISITS				
	Projected Person Visits	Projected Person Visits 2018	Projected Person Visits 2019	Projected Person Visits 2020
RESIDENT MARKETS				
PRIMARY RESIDENT MARKET (0-60 minutes)	33,700	35,494	36,317	35,956
SECONDARY RESIDENT MARKET (60-120 minutes)	117,061	169,821	163,958	158,883
Total Resident Markets (0-120 minutes)	150,800	205,300	200,300	194,800
TOURIST MARKET				
Domestic Tourists - Overnight	18,001	21,592	22,046	22,486
US Tourists - Overnight	1,442	1,730	1,766	1,802
Overseas Tourists Overnight	760	912	932	950
TOTAL OVERNIGHT TOURIST MARKET	20,200	24,200	24,700	25,200
TOTAL ATTENDANCE PROJECTION	171,000	229,500	225,000	220,000
PROPOSED WASAGA WATERPARK HOTEL PERSON VISITS				
PRIMARY RESIDENT MARKET (0-60 minutes)		35,494	36,317	35,956
SECONDARY RESIDENT MARKET (60-120 minutes)		169,821	163,958	158,883
TOTAL OVERNIGHT TOURIST MARKET		24,200	24,700	25,200
TOTAL WATERPARK VISITATION		229,500	225,000	220,000
Overnight		24,200	24,700	25,200
Penetration of Total Market		*0.31%*	*0.30%*	*0.30%*
Day-Use		205,316	200,274	194,838
Penetration of Total Market		*2.64%*	*2.46%*	*2.34%*
TOTAL WATEPARK HOTEL VISITATION		229,500	225,000	220,000
Penetration of Total Market		*2.9%*	*2.8%*	*2.6%*
Average Visits per Day		629	616	603

Source: CBRE Hotels

In terms of room night demand, the table below displays the projected market position/occupancy, average rate and RevPAR levels for the subject 250-room waterpark hotel.

The average daily rate and the overall occupancy of a lodging facility are the foundation for the property's financial performance. The average daily rate is inclusive of the room rate plus admission to the waterpark. While a property's other revenue components (food and beverage, telephone, other income, etc.) are crucial to the operation of the hotel, they are dependent on the overall number of occupied rooms. Furthermore, the occupancy and average daily rate of a hotel are highly correlated. In reality, one cannot make a projection of one without a projection of the other.

With a projected occupancy of 63% and an average daily rate of $311, the proposed waterpark hotel is projected to achieve a RevPAR of $197 in year one. Occupancy is projected to stabilizes at 66% by Year 3 and for the balance of the projection period. ADR growth of 2% per annum has been estimated across the projection periods, while RevPAR growth in the 4-4.5% range is expected in year two and three, prior to stabilizing at 2% in year four.

Projected Results - Proposed Waterpark Hotel, Wasaga Beach, ON

	Year 1	Year 2	Year 3	Year 4	Year 5
No. of Rooms	250	250	250	250	250
OCCUPANCY	63.31%	64.88%	66.17%	66.17%	66.17%
AVERAGE RATE	$310.62	$316.85	$323.20	$329.66	$336.26
RevPAR	$196.64	$205.58	$213.87	$218.15	$222.51
AVAILABLE ROOMS	91,250	91,250	91,250	91,250	91,250
OCCUPIED ROOMS	57,768	59,204	60,383	60,383	60,383

Source: *CBRE Limited*
Note: RevPAR = Revenue Per Available Room

SUBJECT OPERATING PROJECTIONS

A preliminary five-year high level proforma has been developed for the proposed waterpark hotel opportunity based on the following assumptions:

- An inflationary factor of 2.5% per annum;
- The hotel would be operated professionally and appropriate levels of ongoing marketing would occur;
- Rooms revenue is based on the projected occupancy levels and the average daily room rate;
- Rooms expenses include wages and salaries, travel agent commissions and reservation fees of 1.5% of rooms revenue respectively, guest supplies, complementary food expenses (i.e. breakfast), and other rooms related expenses, and have been estimated at 15% of room revenues in year one;
- Food & Beverage (F&B) revenues include restaurant and bar sales, as well as banquet catering and meeting room rentals for events hosted in the hotel's conference centre. Cost of goods sold, wages and salaries, and general operating expenses have been estimated at 78% of F&B revenues;
- Waterpark revenues have been calculated using an admission price of $45.00 for transient demand and an upcharge amount of $4 for each extra hotel guest (for any additional guests

above the standard number of 4)to use the waterpark. Waterpark expenses have been estimated at 36% of revenues;

- Spa revenues include those collected for massages and treatments offered, with estimated expenses comprising about 84% of revenues;
- Telecommunications and other operated department revenues and expenses include: telecommunications, guest laundry, gift shop, high-speed internet service, and in-room movies. Expenses have been estimated at 52% of revenues in year one;
- Undistributed expenses include: administration and general, sales & marketing, property operation & maintenance, and utility costs, and have been estimated at 24% of revenues in year one;
- The projections take into account a management fee of 3% of gross revenues and a capital reserve of 4% of gross revenues. A management fee is included as a prospective purchaser would allow these fees when assessing an acquisition and has been included in the statements on a go forward basis; and
- Other fixed costs including property taxes and insurance have been estimated at $875,000 in year one, increasing to $947,000 by year five.

As a result of these assumptions, the proposed waterpark hotel is forecast to generate an estimated net income of $9.6 million in year one, increasing to $11.4 million in year five. The proforma is provided below.

Operating Projections - Proposed Waterpark Hotel, Wasaga Beach, ON

	Forecast		Forecast	Forecast	Forecast	Forecast
PERIOD	Year 1	% Sales	Year 2	Year 3	Year 4	Year 5
No. of Rooms	250		250	250	250	250
ANNUAL AVAILABLE ROOMS	91,250		91,250	91,250	91,250	91,250
ROOMS SOLD	57,768		59,204	60,383	60,383	60,383
OCCUPANCY	63%		65%	66%	66%	66%
AVERAGE RATE	$311		$317	$323	$330	$336
RevPAR	$197		$206	$214	$218	$223
Operating Revenues & Expenses - Numbers in 000's						
OPERATING REVENUE						
Guest Rooms	$17,944	65.6%	$18,759	$19,516	$19,906	$20,304
Food & Beverage	$4,333	15.8%	$4,529	$4,712	$4,806	$4,902
Waterpark	$2,831	10.3%	$2,959	$3,078	$3,140	$3,203
Spa	$467	1.7%	$488	$507	$518	$528
Telecommunications and Other Operating Departments	$1,791	6.5%	$1,872	$1,948	$1,986	$2,026
Total Operating Revenue	$27,364	100.0%	$28,607	$29,761	$30,356	$30,963
DEPARTMENTAL EXPENSES						
Guest Rooms	$2,614	14.6%	$2,706	$2,793	$2,849	$2,906
Food & Beverage	$3,363	77.6%	$3,456	$3,546	$3,617	$3,690
Waterpark	$1,011	35.7%	$1,039	$1,066	$1,087	$1,109
Spa	$394	84.4%	$408	$421	$429	$438
Telecommunications and Other Operating Departments	$939	52.4%	$965	$990	$1,010	$1,030
Total Departmental Expenses	$8,321	30.4%	$8,573	$8,816	$8,992	$9,172
TOTAL DEPARTMENTAL INCOME	$19,043	69.6%	$20,033	$20,945	$21,364	$21,791
UNDISTRIBUTED EXPENSES						
Administration & General	$1,840	6.7%	$1,886	$1,932	$1,971	$2,010
Sales & Marketing	$894	3.3%	$916	$938	$957	$976
Franchise Fees	$987	5.5%	$1,032	$1,073	$1,095	$1,117
Property Operations & Maintenance	$1,650	6.0%	$1,687	$1,724	$1,759	$1,794
Utilities	$1,250	4.6%	$1,278	$1,306	$1,332	$1,359
Total Undistributed Expenses	$6,621	24.2%	$6,800	$6,974	$7,114	$7,256
GROSS OPERATING PROFIT	$12,422	45.4%	$13,234	$13,970	$14,250	$14,535
Management Fees	$821	3.0%	$858	$893	$911	$929
INCOME BEFORE FIXED CHARGES	$11,601	42.4%	$12,375	$13,078	$13,339	$13,606
NON-OPERATING INCOME AND EXPENSES						
Property and Other Taxes	$625	2.3%	$638	$650	$663	$677
Insurance	$250	0.9%	$255	$260	$265	$271
Total Non-Operating Income and Expenses	$875	3.2%	$893	$910	$929	$947
EBITDA	$10,726	39.2%	$11,483	$12,167	$12,411	$12,659
Less: Reserve for Replacement	$1,095	4.0%	$1,144	$1,190	$1,214	$1,239
EBITDA after Reserve for Replacement	$9,632	35.2%	$10,339	$10,977	$11,196	$11,420

Source: CBRE Hotels

Note:RevPAR = Revenue Per Available Room, EBITDA = Earnings Before Interest, Tax, Depreciation and Amortization

INVESTMENT AND IMPLEMENTATION CONSIDERATIONS

Capital costs have been estimated at $500,000 per room for a total of $125 million, inclusive of $2.5 million for 10 acres of land and $10 million for an underground parking facility.

The developer would need to bring $50 Million in equity to the project; while supporting $50 Million in debt from operating cash flow. Assuming a term of 20 years and a 6% interest rate, annual debt payments would be in the order of $4.3 Million. By Year 5, the Waterpark Hotel is projected to generate a net operating income of $11.4 million after a 4% reserve for asset replacement. After debt service, the project would be expected to generate a cashflow of $7.1 million, resulting in a 14% return on its owner's equity.

However, in order to cover its total capital costs of $125 million, the project would still require another $25 Million in unencumbered equity (with no expectations of return) for the project.

Sources for the unencumbered equity would likely be provided through the profits generated through adjacent residential sales and may also include providing the land at no cost. Unless the waterpark hotel is a significant catalyst to sell additional residential units in the Resort District, this development opportunity is not seen as a short term initiative, but rather part of a Long Term development opportunity for the Town. Furthermore, the likelihood of sourcing an interested developer to invest $50 Million in equity for this project will be difficult.

INVESTMENT ANALYSIS

INVESTMENT PARAMETERS		FINANCING COSTS		
Total Capital Cost	$125,000,000	Term (months/years)	240	20
Debt	$50,000,000	Interest Rate		6.0%
Equity	$50,000,000	Year 5 ANOI		$11,420,000
Unencumbered Equity	$25,000,000	Annual Payment		$4,299,000
		Net Cashflow After Debt Service		$7,121,000
		Return on Equity		14%

Source: CBRE Limited
Note: ANOI = Adjusted Net Operating Income

Boutique Hotel

INTRODUCTION

Resort and Tourist Demand Trends

The dynamics of supply and demand are closely interrelated in the resort industry. What drives resort development today is not only a function of what people want, but also what developers can make financially viable.

From an activity perspective, tourists are looking for nature/outdoors and urban/culture imagery when considering travel to non-urban locations in Ontario. These travellers have a preference for lakeside or riverside resorts, and tend to be looking for authentic "experiences" when they travel as opposed to simple services or amenities. Trends in resort vacations include experiences ranging from eco-tourism, adventures, spa breaks, weekend getaways, to factional ownership.

Many of these changes reflect shifting demographics and lifestyle choices. Baby Boomers and senior travellers are the primary target markets for the resort sector, due to their discretionary buying power and ability to travel off-season and during the week, times when many accommodation properties have higher vacancies. What the consumer is predominantly looking for in a wilderness or waterfront Ontario travel experience can generally be broken into two types:

1. **The Traditional Resort Vacation** – typically includes a 1 to 2 week stay at a resort hotel/lodge or housekeeping resort property; or

2. **The Alternative "Cottage" Vacation** – involves some level of ownership and right to use.

The Alternative Cottage experience includes a range of physical product and ownership structures, as detailed below.

ALTERNATIVE COTTAGE EXPERIENCE OWNERSHIP STRUCTURES

Type	Description
Full title of a building and land to a single owner	Much like traditional cottage ownership
Full title of a single resort unit (with/without land) to a single owner	Multiple physical units may exist on single property
Title to a portion or a "fraction" of a unit's ownership	Ex. 13 weeks – ¼ share
Share in the right to use a resort for a select number of weeks	N/A

Source: CBRE Limited Research

Owners of this type of resort product today are motivated first and foremost by their "right to use" – as they provide a way to visit an area, without making a commitment to purchasing the property.

RESORT AND DEVELOPMENT PROFILE

Resort Development Trends

The majority of development over the past 5 to 10 years, has focused on the alternative cottage product as opposed to building new resort hotels. This model involves joint commercial accommodation and residential real estate development and is popular for a number of reasons:

1. The cost of building a resort hotel today is prohibitive to most hotel developers. Market and seasonality conditions make it difficult for properties to perform at levels that support the significant cost of development (ex. $300,000 to $500,000 per room);

2. By selling the units (whether freehold residential homes or fractional/condo title or title/timeshare units), the development profits generated is what provides the equity required to support the overall resort development;

3. The developer of this type of resort product is generally interested in securing a development profit as opposed to investment returns of its cashflow and capital appreciation; and

4. Therefore, most resort developments of this nature are built with some level of personal use, but also include a transient rental portion to maintain the commercial aspect of the resort, and provide some level of cashflow to cover its operating costs.

BOUTIQUE HOTEL CONCEPT AND CAPITAL COST ESTIMATE

Over the past four years, Wasaga Beach has undergone a 60% increase in overall visitation, from 1.1 million visitors in 2013 and 2014 to reach almost 1.8 million visitors in 2016. Given the Town's current accommodation product, there is overnight demand currently not satisfied within the Wasaga market alone, while several new accommodation offerings in the Blue Mountains and Collingwood areas are capturing increased overnight demand.

With mixed use residential, retail, foodservice and event space proposed at the Main End of the Beach as part of Phase 1 of Wasaga Beach's Downtown Development Master Plan, there is an opportunity to capture some level of overnight demand within the Town. We have identified an opportunity to develop an 80-unit boutique hotel as part of this mixed use development to be located within the "Main End" area of Town with frontage on the Beachfront Boardwalk, directly adjacent to the proposed Event Plaza. The hotel and restaurant component would cover 5-storeys, with the 100-seat food and beverage outlet situated on ground level. Additional hotel amenities would include approximately 3,500 square feet of meeting/conference space, as well as an indoor pool and fitness room.

It is assumed that a number of the purchasers of the adjacent 245+ residential units will likely only use their units while vacationing in the area, and for the balance of the year, will return the unit to the resort operator's rental pool. The Boutique Hotel will in turn manage the rental pool on behalf of the owners, in addition to operating an 80-room hotel for transient use.

PROPOSED BOUTIQUE HOTEL FACILITY PROGRAM

GUESTROOMS	% of Room Mix	Keys	Sq. Ft./Rm	Total GFA
Double Queen	81%	65	325	21,125
Kings	16%	13	350	4,550
Suites	3%	2	400	800
Total	*100%*	*80*	*331*	*26,475*
FOOD & BEVERAGE / BANQUETS		**Seats**	**Sq. Ft./Rm**	**Total GFA**
Restaurant / Bar		100	20	2,000
Indoor		*70*	*20*	*1,400*
Outdoor		*30*	*20*	*600*
Total		*100*	*25*	*2,000*
MEETING/CONFERENCE FACILITIES		**Capacity**	**Sq. Ft./Rm**	**Total GFA**
Ballroom		167	12	2,000
Meeting Rooms		125	12	1,500
Total		*292*	*12*	*3,500*
OTHER			**Sq. Ft./Rm**	**Total GFA**
Indoor Pool		0	19	1,500
Fitness Room		0	14	1,100
Total		*0*	*32.5*	*2,600*
BOH / CIRCULATION			**Sq. Ft./Rm**	**Total GFA**
BOH / Circulation		0	150	11,975
Total Hotel GFA			*582*	*46,550*

Source: CBRE Hotels

Note: BOH = Back of House, GFA = Gross Floor Area

The estimated development cost budget for the subject boutique hotel opportunity is $14.5 million, as summarized below.

Proposed Boutique Hotel, Wasaga Beach, ON - Development Cost Budget

Component	Total Cost	Cost Per Room	Cost Per Square Foot	% of Total
Land	$800,000			6%
Guestrooms	$5,295,000			37%
Food & Beverage	$400,000			3%
Meeting Rooms	$700,000			5%
Fitness Room/Indoor Pool	$520,000			4%
BOH/Circulation	$2,395,000			17%
Parking	$800,000			6%
FF&E	$1,600,000			11%
TOTAL	$14,500,000	$181,250	$311	100%

Source: CBRE Ltd.

Note: BOH = Back of House, FF&E = Furniture, Fixtures and Equipment

MARKET ANALYSIS

Competitive Hotel Market

There are approximately 1,914 rooms or 698,460 available room nights, which would comprise the subject resort's primary competitive market. The competitive market includes hotel/resort properties located in the Blue Mountains and Collingwood areas, as well as Wasaga Beach's permanent and seasonal accommodation supply (motels/cottages/cabins).

Competitive Market

No.	Name	Location	Rooms	Type	Total Meeting Space (SF)	Meeting Space SF per Room	Restaurant	Lounge	Breakfast Servery	Swimming Pool	Fitness Centre	Business Centre
1	Comfort Inn & Suites Collingwood	4 Balsam St., Collingwood, ON	73	Limited Service Hotel	-				x	x	x	x
2	Days Inn & Suites Collingwood	15 Cambridge St, Collingwood, ON	77	Limited Service Hotel	450	5.8			x	x	x	x
3	Westin Trillium House Blue Mountain	220 Gord Canning Drive, The Blue Mountains, ON	223	Full Service Hotel	7,000	31.4	x	x	x	x	x	x
4	Cranberry Resort	19 Keith Ave, Collingwood, ON	78	Full Service Hotel	10,000	128.2	x	x	x	x	x	x
5	Blue Mountain Inn	108 Jozo Weider Blvd, The Blue Mountains, ON	103	Full Service Hotel	13,000	126.2	x	x	x	x	x	x
6	Mountain Springs Resort & CC	796468 Grey Rd 19, The Blue Mountains, ON	144	Full Service Hotel	3,000	20.8	x	x	x	x	x	x
7	Blue Mountain Resort Condos	156 Jozo Weider Blvd, The Blue Mountains, ON	605	Full Service Hotel	30,000	49.6	x	x	x	x	x	x
8	Collingwood Motel Supply	Collingwood, ON	229	Limited Service Hotel	-							
9	Luau Motel Wasaga	231 Mosley St, Wasaga Beach, ON	28	Limited Service Hotel	-					x		
10	Saga Motel Wasaga	88 Main St, Wasaga Beach, ON	28	Limited Service Hotel	-					x		
11	Riverdocks Wasaga	361 Mosley Street, Wasaga Beach, ON	22	Limited Service Hotel	-							
12	Seasonal Wasaga Supply (47 prop, 456 rooms after conv)	Wasaga Beach, ON	150	Limited Service Hotel	-							
13	Permanent Wasaga Supply (52 prop, 436 rooms after conv)	Wasaga Beach, ON	154	Limited Service Hotel	-							
Total			*1,914*									

Source: CBRE Hotels

Competitive Hotel Market – Historic Results

Based on our research, the competitive market has achieved the following results in recent years:

Competitive Market Performance Results

Year	Rooms Available	% Change	Rooms Occupied	% Change	Occupancy	Change	ADR	% Change	RevPAR	% Change
2011	711,315	-	318,205	-	44.7%	-	$145.31	-	$65.01	-
2012	713,264	0.3%	331,820	4.3%	46.5%	1.8	$148.86	2.4%	$69.25	6.5%
2013	690,430	-3.2%	329,634	-0.7%	47.7%	1.2	$153.31	3.0%	$73.20	5.7%
2014	693,715	0.5%	344,806	4.6%	49.7%	2.0	$158.30	3.3%	$78.68	7.5%
2015	698,460	0.7%	376,475	9.2%	53.9%	4.2	$167.04	5.5%	$90.03	14.4%
Compounded Annual Growth Rate	-0.5%		4.3%		4.8%		3.5%		8.5%	
August 2015 YTD	452,246	-	231,904	-	51.3%	-	$170.75	-	$87.56	-
August 2016 YTD	452,246		243,604	5.0%	53.9%	2.6	$174.62	2.3%	$94.06	7.4%

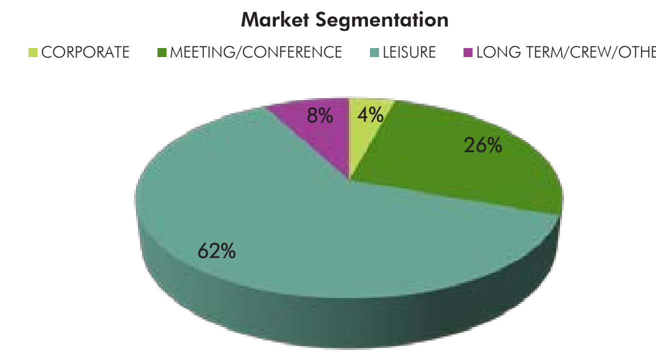
Source: CBRE Hotels
Note: ADR = Average Daily Rate, RevPAR = Revenue per Available Room

- In 2013, the market experienced a decline of 3% in supply, resulting from the conversion of a number of Wasaga Beach transient accommodations into long term rental properties. With the exception of 2013, over the past five years the market has experienced minimal supply growth, however 2015 supply levels have not yet rebounded to the levels seen in 2012.
- For the most part, the market has seen steady demand growth in the last five years. Occupancy has shown a compounded annual growth rate of 4.8%, with a 4 point gain over 2014 levels to reach 54% in 2015.
- In the period YTD August 2016, demand increased by a further 5%. This, combined with no change in available supply, resulted in YTD 2016 occupancy of 54%.
- Coupled with annual increases in demand, the market ADR increased by nearly 4% annually over the last five years. Specifically, average daily rate grew by almost 6% over 2014 levels to reach $167 in 2015.
- Market ADR increased by 2% for the period YTD August 2016.
- After experiencing 14% growth in RevPAR in 2015, the market RevPAR has increased by 7% in YTD August 2016 .

Competitive Hotel Market – Segmentation

In most markets, overall demand varies based on the nature of travel. Lodging demand is typically generated from four different segments: Corporate, Group/Meeting, Leisure travelers, and Other which includes government, contract, and/or crew business.

On the basis of CBRE Hotels' market research, and discussions with local hoteliers the estimated market segmentation for the competitive market in 2015 is presented below:



Demand Segmentation - Competitive Market 2015

Segment	Room Night Demand	%
CORPORATE	15,719	4.2%
MEETING/CONFERENCE	99,515	26.4%
LEISURE	231,874	61.6%
LONG TERM/CREW/OTHER	29,367	7.8%

Compiled by CBRE Hotels

Corporate

Corporate travelers are defined as business people attracted by businesses in the area. Commercial transient demand includes individuals visiting the companies in the immediate area or passing through town. Corporate volume demand is generated by local firms and includes employees of the company or others doing business with the firm. Most demand from the corporate segment is generated between Sunday and Thursday nights, declines Friday and Saturday nights, and increases somewhat on Sundays. The typical duration of occupancy is one to three days and is characterized by single occupancy. Historically, this demand segment has been somewhat less price sensitive than other segments. Rates are often pre-negotiated with the hotel and are sometimes discounted in return for a high number of occupied rooms. Often, these types of travelers are influenced by quality of the hotel, brand loyalty, and location. Overall, the corporate segment is highly desirable as it provides a solid base of demand and tends to pay higher room rates than other segments.

In 2015, the corporate segment generated the least amount of demand at approximately 15,719 room nights, or 4% of demand within the competitive market.

Meeting/Conference

Meeting/Conference travelers are defined as any group occupying five or more rooms on a given night staying for the purpose of attending a meeting or conference. This segment includes corporate groups, associations, SMERF (social, military, educational, religious, and fraternal) groups. This segment is typically attracted by a hotel's meeting facilities and recreational amenities in the area. Demand from corporate groups is typically generated between Sunday and Thursday nights, and can include corporate functions, holiday parties, incentive groups, etc. Often, corporate groups pay high rates, especially incentive groups, where companies "wine and dine" their top salesman at upscale/luxury hotels. Associations and SMERF groups have a more varied occupancy pattern and can often hold weekend meetings. This demand segment tends to be somewhat price sensitive. The typical stay for group demand is between three and five days. There is a perception (often true) that by occupying a block of rooms, a volume discount should be given.

The group/meeting segment accounted for about 99,515 occupied room nights, comprising 26% of market demand.

Leisure

Leisure travelers generally include vacationers or travelers passing through the area. This category effectively includes all non-commercial related travellers. This segment is typically attracted by a hotel's location relative to area attractions (including friends/relatives). Demand from leisure travelers is typically generated throughout the week during peak periods, with more weekend demand in shoulder seasons. Leisure travelers tend to have a high level of double occupancy. Some segments of this demand segment tend to be price sensitive. The typical stay for leisure travelers is between one and four nights. Transient demand also includes occupied rooms generated online through third party providers such as Hot Wire, Expedia, Priceline, etc. and from tour groups and sports teams.

With approximately 231,874 occupied room nights or 62% of total nights , the leisure segment made up the largest proportion of demand within the market.

Government/Other

Government/Other demand includes any airline contracts or construction and maintenance crew business, in addition to government travelers from municipal, provincial and federal levels. This is the most price sensitive segment and is one to which hotel's use as a base to build business.

The other/contract segment generated about 29,367 occupied room nights or 8% of demand within the competitive market.

Competitive Hotel Market – Projected Results

The demand projections prepared for the competitive market are based on the economic outlook for the area, current market dynamics and anticipated changes in demand patterns throughout the projection period. The following summarizes our projections for future room demand and ADR growth.

- Based on year-to-date August results, the competitive market is projected to see overall demand growth of 7.0% in 2016. Coupled with unchanged supply, market occupancy is projected to increase to approximately 58% in 2016.

- With positive economic growth anticipated for the region, demand growth in the 1.0% to 2.0% range is projected to continue through to 2019. In conjunction with supply growth projected in 2020, as a result of the subject hotel opening, demand is projected to increase by 7.5%.
- Over the projection period market occupancy is expected to reach 64% by 2021.
- Due to stable supply and demand fundamentals and projected economic conditions, average daily rate is projected to grow by 2.0% per annum. Between 2017 and 2021, ADR will improve from $174 to $188.

Overall Accommodation Demand for Competitive Market

	Projection 2016	Projection 2017	Projection 2018	Projection 2019	Year 1 2020	Year 2 2021
Available Room Nights	698,460	698,460	698,460	698,460	727,660	727,660
Occupied Room Nights	402,828	410,884	419,102	423,293	455,135	465,420
Market Occupancy	57.7%	58.8%	60.0%	60.6%	62.5%	64.0%
Demand Growth	7.0%	2.0%	2.0%	1.0%	7.5%	2.3%
Market Average Daily Rate	$170.38	$173.79	$177.26	$180.81	$184.42	$188.11
Rate Growth	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%

Source: CBRE Hotels

HISTORIC COMPETITIVE MARKET PERFORMANCE SUMMARY

Total Competitive Market

	2011	2012	2013	2014	2015	August 2015 YTD	August 2016 YTD
Rooms	1,949	1,949	1,892	1,901	1,914	1,853	1,853
Annual Occupancy	44.7%	46.5%	47.7%	49.7%	53.9%	51.3%	53.9%
Average Daily Rate	$145.31	$148.86	$153.31	$158.30	$167.04	$170.75	$174.62
RevPAR	$65.01	$69.25	$73.20	$78.68	$90.03	$87.56	$94.06
Available Room Nights	711,315	713,264	690,430	693,715	698,460	452,246	452,246
Occupied Room Nights	318,205	331,820	329,634	344,806	376,475	231,904	243,604
Room Revenues	$46,239,070	$49,394,380	$50,537,626	$54,584,154	$62,885,282	$39,597,584	$42,538,217

Market Segmentation

Segement	Competitive Market ORN	%
CORPORATE	15,719	4.2%
MEETING/CONFERENCE	99,515	26.4%
LEISURE	231,874	61.6%
LONG TERM/CREW/OTHER	29,367	7.8%
TOTAL	376,475	100.0%

Competitive Market

1 Comfort Inn & Suites Collingwood	2 Days Inn & Suites Collingwood
3 Westin Trillium House Blue Mountain	4 Cranberry Resort
5 Blue Mountain Inn	6 Mountain Springs Resort & CC
7 Blue Mountain Resort Condos	8 Collingwood Motel Supply
9 Luau Motel Wasaga	10 Saga Motel Wasaga
11 Riverdocks Wasaga	12 Seasonal Wasaga Supply (47 prop, 456 rooms after conv)
13 Permanent Wasaga Supply (52 prop, 436 rooms after conv)	

Source: CBRE Hotels
Note: RevPAR = Revenue per Available Room

SUBJECT UTILIZATION PROJECTIONS

In assessing the projected occupancy and rate performance of the subject proposed property a market penetration analysis was undertaken, in which the concept of "fair market share" was utilized. This concept states that, all things being equal, a property will attract rooms demand in the same proportion as its share of rooms supply. Market penetration in excess of 100.0% indicates that a hotel possesses competitive advantages relative to the market as a whole, while competitive weaknesses are reflected in penetrations of less than 100.0%. The marketing philosophy and pricing strategy for a property can also impact its penetration. Accordingly, there are other factors besides competitive weakness that can contribute to a penetration of less than fair share.

The following analysis assesses the projected market position/occupancy, average rate, RevPAR and penetration levels for the subject property. The projections are based on numerous factors including, the economic influences and the actual and projected supply/demand relationship in the competitive market.

It is assumed that there are no significant changes in the market over the projection period that would impact the current status of the competitive rooms supply other than as currently identified.

The average daily rate and the overall occupancy of a lodging facility are the foundation for the property's financial performance. While a property's other revenue components (food and beverage, telephone, other income, etc.) are crucial to the operation of the hotel, they are dependent on the overall number of occupied rooms. Furthermore, the occupancy and average daily rate of a hotel are highly correlated. In reality, one cannot make a projection of one without a projection of the other.

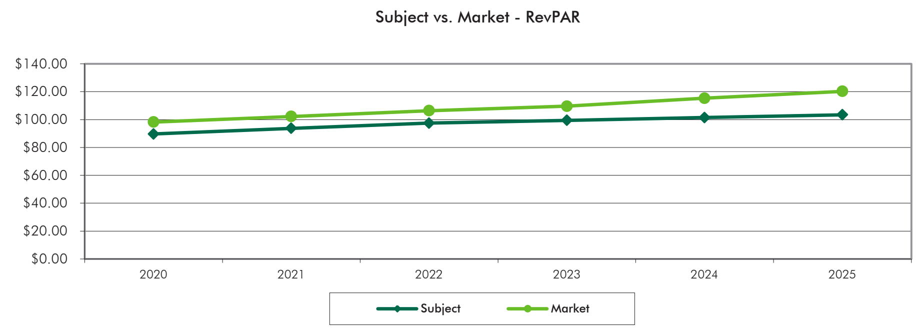
Projected Results - Proposed Boutique Hotel, Wasaga Beach, ON

	Year 1	Year 2	Year 3	Year 4	Year 5
	2020	2021	2022	2023	2024
Market Occupancy	63%	64%	65%	66%	66%
Subject Market Penetration	91%	91%	91%	90%	90%
Projected Subject Occupancy	57%	58%	59%	59%	59%
Market ADR	$184	$188	$192	$196	$200
Subject ADR Penetration	85%	85%	85%	85%	85%
Projected Subject ADR	$158	$161	$164	$167	$171
Market RevPAR	$115	$120	$125	$129	$132
Subject RevPAR Index	78%	78%	78%	77%	77%
Subject RevPAR	$90	$94	$98	$99	$101

Source: CBRE Limited
Market results are based on data from CBRE
Projected results are for the period starting January 2016
Notes: ADR = Average Daily Rate, RevPAR = Revenue per Available Room

RevPAR Index

The proposed boutique hotel is estimated to achieve a RevPAR Index of 78% in year one (2020), with an occupancy of 57% and an ADR penetration of 85% of fair share. Based on the quality of the hotel, the property is projected to maintain stable occupancy levels and a growing average daily rate across the projection horizon. We expect subject results to stabilize while market results continue to improve, slightly decreasing the market penetration and RevPAR index by 1% each in year four (2023) onwards.



Source: *CBRE Limited*
Note: RevPAR = Revenue per Available Room

SUBJECT OPERATING PROJECTIONS

A preliminary five year high level proforma has been prepared for the proposed Wasaga Beach boutique hotel opportunity based on the following assumptions:

- An inflationary factor of 2% per annum;
- The hotel would be operated professionally and appropriate levels of ongoing marketing would occur;
- Rooms revenue is based on the projected occupancy levels and the average daily room rate;
- Rooms expenses include wages and salaries, travel agent commissions and reservation fees of 1.5% of rooms revenue respectively, guest supplies, complementary food expenses (i.e. breakfast), and other rooms related expenses, and have been estimated at 26% of Room Revenues in year one;
- Food & Beverage (F&B) revenues include restaurant and bar sales, as well as banquet catering and meeting room rentals for events hosted in the hotel's conference centre. Cost of goods sold, wages and salaries, and general operating expenses have been estimated at 78% of F&B revenues;
- Telecommunications and other operating department revenues and expenses include: telecommunications, guest laundry, gift shop, high-speed internet service, and in-room movies. Expenses have been estimated at 42% of revenues;
- Rental pool income includes revenues derived from the management of 75 to 100 residential units and accounts for approximately 6% of operating revenue. The following assumptions have been made:
    - 75 to 100 units would be put into the rental pool;

    - 25% of rental income would go to the owner; 25% in direct costs; and 50% of revenue would go to the management company, with 15% profit after expenses;
    - Rental pool occupancy would run at 30 to 33% after owners use; and
    - Units would achieve an average daily rate of $180, as they are larger than units within the proposed boutique hotel.
- Undistributed expenses include: administration and general, marketing, property operation & maintenance, and utility costs, and have been estimated at 18% of revenues in year one;
- The projections take into account a management fee of 3% of gross revenues and a capital reserve at 4% of gross revenues. A management fee is included as a prospective purchaser would allow these fees when assessing an acquisition and has been included in the statements on a go forward basis; and
- Other fixed costs including property taxes and insurance have been estimated at $170,000 in year one, increasing to $184,000 in year five.

Based on these assumptions, the proposed hotel is projected to generate an estimated net income of $1.3 million in year one, increasing to almost $1.6 million by year five. The proforma is provided below.

Operating Projections - Proposed Boutique Hotel, Wasaga Beach, ON

	Forecast		Forecast	Forecast	Forecast	Forecast
PERIOD	Year 1	% Sales	Year 2	Year 3	Year 4	Year 5
No. of Rooms	80		80	80	80	80
ANNUAL AVAILABLE ROOMS	29,200		29,200	29,200	29,200	29,200
ROOMS SOLD	16,610		17,022	17,361	17,361	17,361
OCCUPANCY	57%		58%	59%	59%	59%
AVERAGE RATE	$158		$161	$164	$167	$171
RevPAR	$90		$94	$98	$99	$101
Operating Revenues & Expenses - Numbers in 000's						
OPERATING REVENUE						
Guest Rooms	$2,618	64.9%	$2,737	$2,847	$2,904	$2,962
Food & Beverage	$1,105	27.4%	$1,155	$1,201	$1,225	$1,250
Miscellaneous Income	$42	1.0%	$43	$45	$46	$47
Telecommunications and Other Operating Departments	$50	1.2%	$52	$54	$55	$56
Rental Pool Income	$222	5.5%	$241	$254	$259	$264
Total Operating Revenue	$4,036	100.0%	$4,228	$4,401	$4,489	$4,579
DEPARTMENTAL EXPENSES						
Guest Rooms	$670	25.6%	$694	$716	$731	$745
Food & Beverage	$865	78.3%	$889	$912	$930	$949
Telecommunications and Other Operating Departments	$21	41.7%	$21	$22	$22	$23
Total Departmental Expenses	$1,556	38.6%	$1,604	$1,650	$1,683	$1,717
TOTAL DEPARTMENTAL INCOME	$2,480	61.4%	$2,624	$2,751	$2,806	$2,862
UNDISTRIBUTED EXPENSES						
Administration & General	$296	7.3%	$304	$311	$317	$323
Sales & Marketing	$183	4.5%	$187	$192	$195	$199
Property Operations & Maintenance	$114	2.8%	$116	$119	$121	$124
Utilities	$124	3.1%	$126	$129	$132	$134
Total Undistributed Expenses	$716	17.7%	$733	$750	$765	$781
GROSS OPERATING PROFIT	$1,764	43.7%	$1,891	$2,001	$2,041	$2,082
Management Fees	$121	3.0%	$127	$132	$135	$137
INCOME BEFORE FIXED CHARGES	$1,643	40.7%	$1,764	$1,869	$1,906	$1,944
NON-OPERATING INCOME AND EXPENSES						
Property and Other Taxes	$160	4.0%	$163	$166	$170	$173
Insurance	$10	0.2%	$10	$10	$11	$11
Total Non-Operating Income and Expenses	$170	4.2%	$173	$177	$180	$184
EBITDA	$1,473	36.5%	$1,591	$1,692	$1,726	$1,760
Less: Reserve for Replacement	$161	4.0%	$169	$176	$180	$183
EBITDA after Reserve for Replacement	$1,311	32.5%	$1,422	$1,516	$1,546	$1,577

Source: CBRE Ltd.

Note: RevPAR = Revenue Per Available Room, EBITDA = Earnings Before Interest, Tax, Depreciation and Amortization

INVESTMENT AND IMPLEMENTATION CONSIDERATIONS

The assumption has been made that the proposed hotel will be developed, financed and operated by a private sector developer. Based on our investigations, the capital costs of this type of development are estimated in the order of $15 million or $180,000 per room, including $800,000 for 3 acres of land.

Based on our analysis, the development of a boutique hotel could be supported by a traditional debt equity model. The developer would need to bring $5.5 Million in equity to the project; while supporting $9 Million in debt from operating cash flow. Assuming a term of 20 years and a 6% interest rate, annual debt payments would be in the order of $744,000. By Year 5, the Boutique Hotel is projected to generate a net operating income of $1.6 million after a 4% reserve for asset replacement. After debt service, the project would be expected to generate a cashflow of $803,000, resulting in a 15% return on its owner's equity.

INVESTMENT ANALYSIS

INVESTMENT PARAMETERS				
Total Capital Cost	$14,500,000	Term (months/years)	240	20
Debt	$9,000,000	Interest Rate		6.0%
Equity	$5,500,000	Year 5 ANOI		$1,577,000
		Annual Payment		$774,000
		Net Cashflow After Debt Service		$803,000
		Return on Equity		15%

Source: CBRE Ltd.

Note: ANOI =Adjusted Net Operating Income

APPENDIX A: Wasaga Beach Accommodation Development Plan – Assumptions and Limiting Conditions

APPENDIX A
Assumptions and Limiting Conditions

ASSUMPTIONS AND LIMITING CONDITIONS

1. This Advisory Report prepared by CBRE, is intended for the exclusive use of the Corporation of the Town of Wasaga Beach ("Client"), and is not intended to be prepared for, given to, or relied upon, by any other person or entity, without the express prior written consent of CBRE, and the individual(s) who authored the Advisory Report.
2. It is assumed that all factual data furnished by the Client, property owner, owner's representative, or persons designated by the Client or owner to supply said data are accurate and correct unless otherwise specifically noted in the report. Unless otherwise specifically noted in the report, CBRE has no reason to believe that any of the data furnished contain any material error. Information and data referred to in this paragraph include, without being limited to, numerical street addresses, lot and block numbers, land dimensions, square footage area of the land, dimensions of the improvements, gross building areas, net rentable areas, usable areas, unit count, room count, rent schedules, income data, historical operating expenses, budgets, and related data. Any material error in any of the above data could have a substantial impact on the conclusions reported. Thus, CBRE reserves the right to amend conclusions reported if made aware of any such error. Accordingly, the client-addressee should carefully review all assumptions, data, relevant calculations, and conclusions within 30 days after the date of delivery of this report and should immediately notify CBRE of any questions or errors. CBRE does not make any representation or warranty, express or implied, as to the accuracy or completeness of the information or the state of affairs of the real property furnished by the Client to CBRE and contained in any report prepared by CBRE.
3. The date to which any of the conclusions and opinions expressed in this report apply, is set forth in the Letter of Transmittal. Further, that the dollar amount of any opinion herein rendered is based upon the purchasing power of the Canadian Dollar on that date. This advisory report is based on market conditions existing as of the date of this report. Under the terms of the engagement, we will have no obligation to revise this report to reflect events or conditions which occur subsequent to the date of the report. However, CBRE will be available to discuss the necessity for revision resulting from changes in economic or market factors affecting the subject.
4. The conclusions, which may be defined within the body of this report, are subject to change with market fluctuations over time.
5. Any cash flows included in the analysis are forecasts of estimated future operating characteristics are predicated on the information and assumptions contained within the report. Any projections of income, expenses and economic conditions utilized in this report are not predictions of the future. Rather, they are estimates of current market expectations of future income and expenses. The achievement of the financial projections will be affected by fluctuating economic conditions and is dependent upon other future occurrences that cannot be assured. Actual results may vary from the projections considered herein. CBRE does not warrant these forecasts will occur. Projections may be affected by circumstances beyond the current realm of knowledge or control of CBRE.
6. Unless specifically set forth in the body of the report, nothing contained herein shall be construed to represent any direct or indirect recommendation of CBRE to buy, sell, or hold the properties. Such decisions involve substantial investment strategy questions and must be specifically addressed in consultation form.

7. The report has been prepared at the request of the Client, and for the exclusive (and confidential) use of the Client. The report may not be duplicated in whole or in part without the specific written consent of CBRE nor may this report or copies hereof be disclosed to third parties without said written consent, which consent CBRE reserves the right to deny. If consent is given, it will be on condition that CBRE will be provided with an Indemnification Agreement and/or Non-Reliance letter, in a form and content satisfactory to CBRE, by a party satisfactory to CBRE. Exempt from this restriction is duplication for the internal use of the client-addressee and/or transmission to attorneys, accountants, or advisors of the client-addressee. Also exempt from this restriction is transmission of the report to any court, governmental authority, or regulatory agency having jurisdiction over the party/parties for whom this appraisal was prepared, provided that this report and/or its contents shall not be published, in whole or in part, in any public document without the express written consent of CBRE which consent CBRE reserves the right to deny. Finally, this report shall not be advertised to the public or otherwise used to induce a third party to purchase the property or to make a "sale" or "offer for sale" of any "security". Any third party which may possess this report is advised that they should rely on their own independently secured advice for any decision in connection with this property. CBRE shall have no accountability or responsibility to any third party.
8. The maps, plans, sketches, graphs, photographs and exhibits included in this report are for illustration purposes only and are to be utilized only to assist in visualizing matters discussed within this report. Except as specifically stated, data relative to size or area of the subject and comparable properties has been obtained from sources deemed accurate and reliable. None of the exhibits are to be removed, reproduced, or used apart from this report.
9. No opinion is intended to be expressed on matters which may require legal expertise or specialized investigation or knowledge beyond that customarily employed by real estate advisors.
10. Acceptance and/or use of this report constitutes full acceptance of the Contingent and Limiting Conditions and special assumptions set forth in this report. It is the responsibility of the Client, or Client's designees, to read in full, comprehend and thus become aware of the aforementioned contingencies and limiting conditions. Neither the Advisor nor CBRE assumes responsibility for any situation arising out of the Client's failure to become familiar with and understand the same. The Client is advised to retain experts in areas that fall outside the scope of the real estate appraisal/consulting profession if so desired.
11. CBRE assumes that the subject property analyzed herein will be under prudent and competent management and ownership; neither inefficient nor super-efficient.
12. It is assumed that there is full compliance with all applicable federal, provincial, and local environmental regulations and laws unless noncompliance is stated, defined and considered in the report.
13. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the herein, as of the effective date of this appraisal, cannot be relied upon as of any other date without subsequent advice of CBRE.
14. Client shall indemnify and hold CBRE fully harmless against any loss, damages, claims, or expenses of any kind whatsoever (including costs and reasonable attorneys' fees), sustained or incurred by a third party as a result of the negligence or intentional acts or omissions of Client, and for which recovery is sought against CBRE by that third party.

B.2 RESIDENTIAL REPORT (NBLC)

Town of Wasaga Beach

DRAFT

Residential Market Analysis and Planning Review

Wasaga Beach Downtown Development Master Plan

February 2017

nblc

N. BARRY LYON CONSULTANTS LIMITED

Town of Wasaga Beach

DRAFT
Residential Market Analysis and Planning Overview

Wasaga Beach Downtown Development Master Plan

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1.0 Introduction

NBLC was retained as part of a broader team, led by Forrec, to devise a strategy to re-establish a Downtown Core in Wasaga Beach.

Wasaga Beach's historic Downtown Core has traditionally extended along Main Street from Beach One southward. This strip has offered a range of commercial services to both local residents and tourists over the years. However, the seasonality of the Wasaga Beach community never allowed a Downtown area to become firmly established, with many of the larger uses closing during the off-season periods. As the nature of tourism and retail have changed, the role of Downtown also diminished. The expansion of retail functions to the suburban area of the Town, the fire on Beach One, and business closure have all undermined the opportunity for a central core area.

The Town of Wasaga Beach has identified the importance of re-establishing a Downtown as the Town moves forward. While Wasaga Beach will always have a significant component of tourism, its growing attractiveness as a community for permanent residents has underpinned the need for a Downtown that builds on the growing sense of community. After years of neglect, the Town of Wasaga Beach has approved the boundaries for the new Downtown, recognizing an opportunity to develop a central urban area that will aid in growing the Town into the future.

NBLC's role in this initiative is to provide residential real estate market and land use planning guidance. This report summarizes the influences of population growth and market trends on Wasaga Beach and how those influences could be guided, through a renewed policy context, towards the objective of creating a vibrant Downtown. We provide a review of the planning policy context and identify key areas of policy development that should be considered as the Town moves towards an official review.

2.0 Why is a Downtown Important?

Downtowns are concentrated urban areas that allow for the efficient use of land and municipal resources for the social and economic benefit of the community. A vibrant mix of residential, commercial and public uses creates an energetic mass that can become a source of community pride and identity. Large or small, well-defined and healthy Downtowns create a sense of place that yields benefits in terms of improving the quality of life for residents, creating a strong investment environment, and supporting growth.

A concentration of development also yields benefits in terms of offering more sustainable forms of development. When community services and amenities become walkable, higher density housing options can become more feasible. Apartments and townhomes, which are less costly and require less maintenance than a single-detached home, become more viable. This in turn helps populate and animate streets, taking growth pressure off suburban areas, reducing traffic, and improving safety. Higher density housing forms also expand the choice of accommodations, increasing the attractiveness of the community to a broader range of prospective residents.

Downtowns offer a logical opportunity as a place for community events. This aids in building community pride and identity and allows for improved social cohesion with opportunities to meet and connect with neighbours and other community members.

Public spaces in the Downtown, both indoor and outdoor, are typically very important for programming to attract people to the area and provide a space for community events. Consistent programming is key, and ongoing events drive positive awareness of the area and the wider Town for both residents and tourists. Downtowns with a range of retail, commercial, and programming options that span all seasons and appeal to the widest mix of people, including families and children, ensures that the area remains animated and thrives throughout the year.

Figure 1: Examples of Small Town Downtowns

3.0 Wasaga Beach's Historical Pattern of Growth

The Town of Wasaga Beach has experienced very strong growth, doubling in size over the 1996-2011 census reporting periods from 8,698 persons in 1996 to 17,405 persons in 2011. By comparison, the Town of Collingwood grew by 19% over the 1996-2011 period. Wasaga Beach's growth however has evolved away from the Beach area and its seasonal tourist based roots, towards increasingly stable and permanent growth.

Over the last 25 years, housing growth has been largely focused on the periphery of the Town dominated by low-density housing types including detached homes and townhomes. In the Downtown area, only recently has new investment begun to emerge in the form of bungalow and traditional townhomes at Stonebridge. While these homes are modest in scale, they provide market evidence that there is demand to live in more compact housing forms providing they offer walkable access to commercial and public amenities. This form of development is responding directly to the demands of the marketplace and is instructive when considering how the factors discussed next in our report can leverage towards the development of an exciting new downtown.

Statistics Canada tells us much about the nature of the historical growth in Wasaga Beach. While the 2016 census was not published at the time of the preparation of this report we know several key characteristics of its population from previous census data and observational research:

- **Wasaga Beach has become a very appealing destination for retirees who are attracted to affordable housing options, a good range of amenities, and a safe community**. Between the 2006 and 2011 Censuses, the age groups which increased by the highest percentage and total number of residents were aged 55 to 64 (+510 people, +20%), 65 to 79 (+1,035 people, +32%), and 80 and up (+325 people, +61%). It is likely that these figures will increase in the 2016 Census.

- **Incomes have increased, but not fast enough.** Despite record low interest rates, incomes have not kept pace with home prices. The average household income in Wasaga Beach increased by 7.4% between 2006 ($61,676) and 2011 ($66,250), while the average value of a single-detached home increased by 23.7% over the same time period[1]. Housing pricing has only continued to grow in the subsequent years since the 2011 Census, and though 2016 income data is not yet available, it is expected that income growth has been muted compared to housing price growth.

- **Working age people are leaving the community**. Young people within their first years of working are leaving the community to seek broader opportunities for jobs and socialization in larger centres. This is a natural phenomenon in towns the size of Wasaga Beach but is nevertheless a concern as a good mix of residents of all ages is a healthy measure of any community.

[1] Your Home, Your Future: Town of Wasaga Beach Housing Strategy, January 2013

- **The size of households are declining.** This is a phenomenon that has been happening in many communities, regardless of size or mix of residents, due to aging populations, later family formation, and lower birth rates. In the case of Wasaga beach household sizes are expected to continue to decline. The most recent Development Charges Background Study from Hemson Consulting anticipates that household sizes will decline to 2.2 persons per household by 2031.

- **Households with children are declining.** In the 2001 Census, approximately 45% of the Town's families contained children. That value decreased to fewer than 43% in 2006 and then 41% in 2011. This is due, at least in part, to the lack of a high school in the community.

- **Much of the historical commercial tourism accommodation is now being used as affordable rental housing in the off-peak seasons.** While Wasaga Beach is affordable relative to many other nearby communities, there is a lack of affordable rental housing, as well as market-rate rental housing. As such, in the non-summer months, many rooms in the older accommodations located throughout Wasaga Beach are used as affordable rental units.

- **The stock of tourism accommodation is eroding quickly and not positioned to attract modern demand.** The quality of much of the accommodation options in Wasaga Beach has become poor as it has aged which has led to a segment of the tourist population that seeks higher-quality, modern accommodations to be unserved.

- **Demand in the resale market for beachfront homes from both seasonal and permanent residents is still strong.** This will spur some demand for new housing in the Main End.

Figure 2: Homes in Stonebridge, near Main Street and River Road West

Source: Stonebridge Building Group

4.0 Factors Shaping the Outlook for Wasaga Beach's Growth

According to the County of Simcoe Official Plan, the population of Wasaga Beach is projected to grow to 27,500 in 2031 (+9,963, +57% from 2011[2]). Household sizes are anticipated to continue to decline to 2.2 persons per household ("PPH") in the same time period[3]. As households become smaller, so do housing needs. Demand should continue to grow for a broader range of housing forms such as townhouses and apartments.

Given the population forecast and projected household size, there is a forecasted housing need of approximately 12,500 housing units in 2031, representing a need for as many as 5,000 additional housing units from 2011 to meet the population growth.

While much of the new housing in Wasaga Beach will continue to be in low-density formats, demand for smaller homes, including townhomes and apartments will increase over time. This demand will come from a variety of groups including seniors, single people, first-time buyers, and secondary home buyers. Demand for higher density accommodation is also present in the tourism market, especially for homes that could offer direct beach and water views. The following summarizes the key factors driving demand in Wasaga Beach.

4.1 Declining Affordability

Affordability is one of the strongest drivers of higher density residential demand and effects all market segments. As pricing for other housing forms increases, particularly single-family homes, buyers are more frequently drawn to the relative affordability of an apartment unit, as well as higher density ground-related units like traditional and stacked townhouses.

Despite the growing disparity between price and income growth, Wasaga Beach remains one of the more affordable options in the surrounding region, and as such, should remain a destination for buyers seeking affordable single-family homes. Remaining the value proposition in the regional housing market, particularly compared to Collingwood and The Blue Mountains, could provide an advantage for Wasaga Beach as it looks to develop the Downtown and continue growing. Providing housing options that are more affordable relative to similar units in Collingwood and Blue Mountains will allow Wasaga Beach to compete for some of the same buyers who are currently attracted to these communities.

It should be noted that demand for high-density housing from end-user families may remain limited in the near future so long as single-detached housing in Wasaga Beach remains affordable relative to Collingwood and other parts of Southern Ontario. However, there may be some interest from families for other forms of housing in the Downtown, such as townhouses. The current lack of a high school in

[2] Statistics Canada, 2011 Census

[3] Hemson Consulting, Town of Wasaga Beach Development Charges Background Study, November 2, 2015

Wasaga Beach may also play a role in limiting the level of interest from families for new higher density housing forms in the Wasaga Beach Downtown.

4.2 Aging Population / Move-Down Buyers

Seniors today are healthier than ever and many continue to live active lifestyles as they age. By 60, many seniors are entrenched in their local community and as they look to downsize from single-family homes, often hope to remain in their current neighbourhoods. These seniors and downsizers are anticipated to be a key end-user target market for any new high-density residential units in the Downtown area.

As with most other potential buyer groups, seniors / move-down buyers are seeking affordability, in this case for retirement purposes. The demand for high-density housing units from this group has been brought on by changing lifestyle priorities. They are seeking convenient and low-maintenance living, with less responsibility than what is associated with ground-related housing. An apartment unit also provides an opportunity to re-deploy some of the equity from the sale of a single-family home into retirement savings.

Anecdotally, we know from our public consultation process for the Downtown Development Master Plan ("DDMP"), that there is some interest in high-density living from local seniors / downsizers in Wasaga Beach currently. Several people expressed an interest in moving to a smaller space that would be easier to maintain than their current single-family homes. Developing the Downtown with high-density housing units along Main Street could aid in filling the gap in the market for this type of housing.

An additional impact of the aging population is smaller household sizes. Households with only one or two people, with no plans for household size expansion, typically look towards higher-density housing forms, such as apartments, to reduce maintenance costs.

4.3 Demand for Second Home/Recreational Properties

The potential for new high-density residential units in Wasaga Beach is likely to drive some interest from buyers seeking a secondary home or recreational property. Generation X (approximately 1965 to 1980) have become more frequent purchasers of traditional cottages than Baby Boomers in recent years according to Royal LePage. However, Millennials, and the younger members of Generation X, may find it more difficult to purchase a secondary property due to increasing affordability issues in both the traditional housing market and the recreational property market.

A beachfront condominium apartment could be an affordable alternative to a traditional lakefront cottage for buyers who are priced out of the traditional cottage market. Some buyers may also prefer the low-maintenance, turn-key living that an apartment would provide over the upkeep of a traditional cottage. Others may be attracted to the revenue potential during the days or weeks that they are not using the unit.

Even in Collingwood, there is recent evidence of a gap in the secondary home market for relatively affordable housing options. Wyldewood Cove Condominiums, located off Highway 26, north of Cranberry Golf Course, tapped into this gap in the market, advertising itself as an affordable option. The seven building, 177-unit development sold out in June 2016, less than two and half years after launching in February 2014.

The primary purchasers at Wyldewood Cove ranged from 35 to 60 years of age, primarily couples and families with children from the GTA, some of which are thought to be leasing their units for extended periods of the year. The location a short drive from ski hills and golf courses was attractive for buyers, particularly given the low pricing, starting at approximately $180,000, with no unit exceeding $280,000, despite large unit sizes up to 1,400 square feet ("sf")[4]. Meanwhile, other recent condominium apartment projects in Collingwood have struggled with slow sales in recent years while pricing much of their product above $300,000.

Despite its distance further from ski clubs, Wasaga Beach should be able to compete with Collingwood and Blue Mountains for secondary home buyers. Some prospective Collingwood buyers will be seeking an affordable alternative and Wasaga Beach is close enough to still provide convenient access to the amenities offered in Collingwood and The Blue Mountains. Other buyers will be attracted to the added proximity to Wasaga's beach area and trails in addition to the short drive to Collingwood.

4.4 Rental Demand

As per CMHC, there were no purpose-built rental apartment units in Wasaga Beach as of October 2016. As such, residents who would prefer to rent, or cannot afford to buy a home, are forced to find accommodations in another community or in the private rental market, which consists almost entirely of low-density housing types. Not all prospective renter households will be interested in renting a single-family home, particularly seniors who may be considering a move from single-family homeownership to rental tenure for lifestyle reasons.

Anecdotally, we are aware that there is some demand in the current marketplace for affordable rental accommodations, some of which has to be satisfied through rentals of motel rooms. While a new purpose-built rental apartment building in Wasaga Beach may not be feasible, investor-owned condominium apartment units could aid in beginning to address the demand for long-term rental accommodations in Wasaga Beach.

Furthermore, it is possible that additional demand for rental housing in Wasaga Beach would present itself if there were more high-quality options available. It is possible that there are households who are currently interested in renting in Wasaga Beach but end up seeking out rental housing in other nearby communities, such as Collingwood or Barrie, due to the lack of available product locally.

[4] RealNet Canada Inc.

4.5 The Investor Market

As the high-density housing market in Downtown Wasaga Beach begins to establish itself, units in the initial phases, particularly in the beach area, are likely to attract investor interest. There are few high-quality overnight accommodation options in Wasaga Beach today. This has led to a segment of the tourist population who seeks higher-quality modern accommodations to be unserved. These tourists must choose between staying in one of the existing options, staying in a nearby municipality like Collingwood, or choosing to spend their time and money somewhere other than Wasaga Beach.

Despite the old and outdated overnight accommodations in Wasaga Beach, the rates that are achieved are typically fairly high. From stakeholder interviews throughout the Master Plan process, and past research conducted by CBRE, we know the following about pricing for some of the existing accommodations:

- Average daily rate (2015): $147 (full year average);
- Hotels: $250 per night in peak ($210 - $380 per night) and $160 per night during winter months;
    - Includes hotels such as Wasaga Riverdocks, Luau Resort, Saga Resort, etc;
- Cottage Courts: $1,100 - $1,400 per week in July/August, $600 - $800 per month in offseason;
- Airbnb: A wide variance of pricing from less than $100 per night for a small space to over $500 per night for a full 3+ bedroom cottage. Several 2-bedroom cottage court style accommodations located northeast of the Downtown area are listed for as much as $250 - $350 per night ($1,800 - $2,800 per week with fees).

Based on the rates in the accommodation market, it is possible that purchasing a unit for the purposes of using it as a short-term rental will make sense for some investors. If a cottage court unit can command $1,400 per week during the summertime, it is reasonable that a brand new condominium apartment unit with modern features and finishes could exceed these rates, particularly in a more central location in the main beach area. Additionally, it could provide buyers who are interested in a secondary property with the potential to earn some income from their property during the week or on weekends when they are not using the unit.

NBLC conducted a pro forma analysis to determine what a condominium apartment unit with beach / water exposure could be priced at in order for the investor to receive a reasonable capitalization rate of 6%. **Table 1**, below, illustrates the results of the analysis.

We assume higher occupancy rates and weekly rental rates during the 16-week peak period than in the off-season months, and include prices that are a premium above much of the existing accommodation options. Based on the pro forma analysis, an investor could receive a capitalization rate of 6% for an 850 sf two-bedroom unit priced at approximately $460,000, assuming an all cash purchase. It should be noted that the estimated rental rates would be lower on the mainland side of the Downtown, or for units that do not have beach / water views.

Table 1

Conceptual Development Pro Forma - Investor Analysis			
Rental Assumptions			
	Peak Season	**Off Peak**	**Total**
Potential Weeks Leased	16	36	52
Occupancy	80%	30%	45%
Weeks of Occupancy	12.8	10.8	23.6
Rental Rate (Per Week Leased)	$1,800	$1,200	$1,525
Revenue	$23,040	$12,960	$36,000
Capitalized Value			
Total Annual Revenue			$36,000
Avg. Annual Expenses (Rental Cleaning Fees, Operating Expenses, Misc.)			$8,540
Net Operating Income			$27,460
Cap Rate			6.0%
Capitalized Value (6% cap rate)			$457,667
Source: N. Barry Lyon Consultants Ltd.			

As has been outlined throughout this section, affordability will be key to the success of the re-development of Wasaga Beach's Downtown, so not all units can be priced this high, particularly given the relatively low prices in the single-family home market ($355,595 resale average in 2016[5]). The performance of Wyldewood Cove Condominiums in Collingwood indicates that the majority of the condominium apartment product, particularly on the mainland side of the Downtown, should likely be priced affordably relative to the rest of the housing market. That being said, the pro forma analysis indicates the strong potential for a return for an investor, even at higher prices, assuming the unit is located in a premium location such as the beachfront. If the units on the beach are priced more affordably, the capitalization rate would increase above 6%.

Despite the assumed interest from the investor community, residential development in the Downtown will need to rely heavily on end-user and secondary home buyers either from the local area or elsewhere, in order to achieve healthy sales absorption rates. Mainland developments are assumed to be particularly reliant on these purchasers as interest from investors may be more likely to be centred on any new residential development in the beach area. Investor interest may also decline in latter phases of the Downtown redevelopment as the investor market becomes saturated.

[5] Marg Scheben-Edey, ReMax, "2016 Year-end Real Estate Market Report for Collingwood, Blue Mountain and Area", January 4, 2017

5.0 Range of Downtown Housing Types

Successful Downtowns include a range of housing types and tenures in order to attract a wide mix of residents. In Wasaga Beach's Downtown, the focus of new development should be on higher density housing types, specifically apartments and townhouses. The bulk of the apartment development is likely to occur along three main corridors (Main Street, Mosley Street, Beach Drive), with densities declining to townhouses and single-detached homes as they move away from these corridors.

While stacked townhouses are not typically popular in smaller communities like Wasaga Beach, they may also be worthy of consideration in the future given their ability to offer gentle density and that they provide purchasers the option of a relatively affordable ground-related unit. Stacked townhouses at the west end of the main beach area as an alternative to apartments or traditional townhouses could also be popular with investors and secondary home purchasers if they include beach / water exposure.

Bungalow townhouses are also an alternative to traditional townhouses and have proven to be successful elsewhere in Wasaga Beach, including at the south end of the Downtown area in Stonebridge. The lack of stairs and smaller square footage of these units are particularly attractive to older buyers who are still interested in living in a ground-related unit as opposed to downsizing all the way to an apartment unit.

Figure 3: Examples of Potential Building Scale

Within any new apartment buildings, ground floor commercial or community space should be encouraged, particularly along main corridors. This commercial or community space could aid in animating the Downtown's streets and would create a true mixed-use community.

However, although these active ground floors are preferred, the demand for this type of space may not be sufficient to fill the ground floor of every new building. As such, the decision as to which buildings are required to include a commercial or community component in their base should be strategic as a building with residential units fronting on the street, possibly as townhouse units, is likely preferable to a significant number of empty or underutilized storefronts. In these cases, consideration should be given to design methods which provide an interesting ground floor which interacts well with the Downtown streets despite not including commercial or community space.

The scale of the new Downtown developments are likely to be in the range of four-storeys, possibly up to six-storeys, for apartment buildings and two to three-storeys for townhouses, particularly in the early phases of re-development. Given that four to six-storey buildings are taller than the existing built context in Wasaga Beach's Downtown area, it is possible that height impacts could be mitigated through design measures such as stepping back upper floors, reducing the perception of height and improving the way the building interacts with the street and its surroundings.

6.0 The Downtown Plan and the Housing Market

The following section addresses some of the elements that should be included in a new Downtown, spurred by the recommendations of the DDMP, which could have an impact on the housing market. Some of these factors directly affect the housing market, while others aid in creating a sense of place that could inevitably increase the appeal of the Downtown area for new housing.

6.1 Creating a Destination and Identity

As discussed in Section 2.0, downtowns play a significant role in the success of communities. By creating an energetic centre they can invoke community pride through an enhanced sense of identity which spins off into commercial and economic benefits. Part of the formula of a successful downtown is a permanent population that occupies and animates the area year round. If the downtown can offer this type of environment, the market demand for the higher density housing requirements forecasted for the community will be positive.

People choose high-density living in order to be in an attractive, interesting and walkable neighbourhood. As such, improvements to the public realm will be key. The creation of new high-quality public spaces with programming to continually attract people to the Downtown area and provide places to gather will be needed, as will a design that improves walkability. Additional amenities including new retail within mixed-use developments and services that are currently lacking in the Downtown will also aid in creating a more attractive area.

6.2 Two Distinct Opportunities for New Investment

Currently in Wasaga Beach, the area that has been identified as the future Downtown is tourism-focused. Given tourism's importance to the Wasaga Beach economy, it should not be neglected. However, in order for a Downtown re-development to achieve success, the area will need to cater towards the needs of permanent residents as well.

As a means of balancing the potential for competing priorities between tourists and permanent residents, an approach that includes two centres could be effective. One centre in the Main End that is dominated by the presence of the beach and the massive tourism draw it creates, and the other along Main Street in Lower Main that is still within a short walk of the Main End, and would perform a more civic function designed primarily to accommodate the future needs of the permanent community as it grows.

6.2.1 Beach Area (Main End)

From a residential perspective, the beach area, or Main End, is expected to be the most marketable part of the new Downtown. The Main End has an inherent attraction value and is a premium location that is unique in Southern Ontario.

Units with exposure to the beach and Nottawasaga Bay are anticipated to attract the widest range of prospective buyers including secondary home buyers, investors and some end-users.

Investor interest is likely to be driven by the lack of high-quality overnight accommodations in Wasaga Beach. These investors may see an opportunity to fill the gap in the market by listing their new, modern apartment or townhouse unit on the market for nightly, weekly, or monthly rentals. To date, the only condominium apartment building of significance with beach / water views in proximity to the Downtown area is Aqua Luxury Beach Residences, located at River Road East and Mary Street.

End-users and secondary home buyers are also likely to be attracted to a beachfront location, though possibly less so than investors in areas that are closest to the busiest tourist attractions. Higher prices for premium units in the Main End may also lead to end-users considering other locations in the Downtown.

Residential buildings at the east end of beach area, framing a new public square, would allow for business and other economic activity as well as enhanced, more upscale services at the ground floor levels.

6.2.2 Lower Main

Early in the DDMP process, it was established that Lower Main Street should be the heart of the Wasaga Beach. Residential uses in Lower Main are likely to be positioned towards end-users who will place a higher value on close proximity to commercial and community services, and separation from the intense beach activity during the peak tourist periods. As such, absorptions may be slower as end-users typically take their time when shopping for a new home (compared to investors) and may be less likely to purchase a pre-construction unit.

Affordability will be key in Lower Main given the location away from the beach. Units are also likely to be larger given that many buyers are anticipated to be downsizers who are used to residing in a single-family home. Main Street provides a central location within Wasaga Beach but is far enough removed from the Main End and beachfront that any new developments are likely to be less impacted by the peak tourist season.

Other uses in Lower Main, such as the retail and restaurants, may also be positioned to service permanent residents more so than tourists, particularly in the early stages of development given that many visitors are likely to remain solely attracted to the Main End and its beachfront. Over time, as the Downtown and Lower Main neighbourhood establishes itself, there will likely be more synergy between the Main End and Lower Main.

6.3 The Role of Public Squares

The DDMP will include public squares both in the Main End and Lower Main at Main Street. These public squares are critical elements in the strategy to create a new downtown in Wasaga Beach. These two squares would be used to visually establish the location of the Downtown and will be an important component of its future identity. The design of these spaces will therefore be very important as the project moves forward.

However, programming of the space will be equally important. The space at Lower Main should be used for important civic functions and be available for other events and festivals throughout the year. New public squares should be designed to maximize their flexibility so they can be used in all seasons and for the widest variety of uses. A high-quality public square that may be used for a farmer's market or an outdoor concert in the summer time, should be flexible to be used as a skating rink or a holiday market in the winter time.

Figure 4: Examples of Public Squares

There are countless examples of successful public squares that are heavily used in cities and towns of all sizes. The best ones are those that attract people to gather and activate the space as frequently as possible, bringing life to the surrounding area and having a positive trickledown effect on neighbouring businesses and property values[6].

Town squares and other open and shared spaces drive traffic and are beneficial to local business owners and the local economy, driving up sales, tax revenue, and potentially increasing jobs. They are also attractive places to orient new residential buildings. Some of the highest demand for new residential units may be on the blocks that are facing, or in closest proximity, to the public squares, especially in Lower Main which lacks a significant existing attraction like the beach.

Programming of the public squares will be very important to ensure that there is constant activity in the Downtown, and to provide those who don't live in the Downtown with a reason to visit, whether they be from Wasaga Beach or elsewhere.

6.4 Civic Uses

Civic buildings and institutions (ie. town hall, libraries, courthouses, cultural facilities, parks, public squares, etc) have traditionally been some of the most important places in towns and cities. They were where the community would come together to conduct business, make important decisions, and socialize.

They create a sense of pride, contribute to a community's identity, offer a place for regular and meaningful interaction between citizens, provide comfort and safety due to their public nature, and encourage a diverse mix of people to use them.

Civic spaces contribute to local economic activity and could be a key factor in the success of the Downtown redevelopment. When located in a Downtown, these civic uses bring with them employees and users of public services who are then more likely to spend money in the Downtown, increasing economic activity. As an example, a study by Place Economics, a Washington, D.C. based consulting firm, indicated that employees who work in a Downtown civic building will spend between $2,500 and $3,500 annually in the Downtown[7]. If these civic buildings and uses are located away from the Downtown, people will invest their money and energy outside the Downtown.

Civic spaces also play host to events such as farmers markets, festivals, and other locally-sponsored activities, that draw residents and tourists to the area who are in turn more likely to spend while there.

These civic institutions should be constructed in locations that are accessible for drivers, transit, and pedestrians, such as the Downtown. They should be designed in a manner that is welcoming for the public. As new civic uses are added to the community over time, their location in the Downtown could

[6] The Value of Public Space: How High Quality Parks and Public Spaces Create Economic, Social and Environmental Value, Commission for Architecture and the Built Environment, London, 2012

[7] UW-Extension, The Importance of Government Facilities in Downtown, 2005

be highly beneficial to strengthening the appeal of the area and driving demand for new residential units.

Several civic uses are currently missing in Wasaga Beach or are in need of an upgrade. Wasaga Beach currently lacks a high school, has an aging arena, and is outgrowing the existing town hall and library.

While the Downtown may not be the chosen place for some of these uses, particularly larger ones like a new high school or multi-pad arena, their presence in Wasaga Beach could increase demand in the residential market. A new high school in particular could aid in attracting more families who may otherwise look to other communities like Collingwood in order to ensure their children do not have to commute a long distance each day.

7.0 Policy Review

Within the broad policy context of the Provincial Policy Statement, Places to Grow, and the County of Simcoe Official Plan, land use policy for the Town of Wasaga Beach is guided by the Council approved Official Plan. The existing Official Plan policies do not recognize a Downtown district as envisioned in the DDMP.

The approved Official Plan has a focus on tourism in the areas of the Downtown that are recommended for significant redevelopment in the DDMP. As it stands today, accommodation uses like cabins, motels, and other low-density, tourism oriented uses are encouraged. Development that is supportive of permanent residential development is discouraged or prohibited. Council's intention at the time of adoption in 2003 was clear to support the tourism function by reserving the Downtown area for this purpose.

The work of the DDMP has clearly illustrated that the Town has evolved and that there is a need to reconsider this approach. The need and opportunity to better leverage the natural asset of the beach and dune areas to invigorate the tourism market while at the same time meeting the long term social, cultural, and economic needs of the community has been identified.

This section provides an overview of the relevant planning legislation that helped guide the DDMP process and offers policy considerations for the Town of Wasaga Beach as they reconsider their Official Plan.

7.1 Provincial and Regional Planning Policy

7.1.1 Provincial Policy Statement

The Provincial Policy Statement ("PPS") provides direction on land use planning and development matters. It is authorized under Section 3 of the Planning Act and focuses on economic, environmental, and social planning principles. All provincial and municipal planning directions are required to be consistent with PPS policies.

The PPS sets the policy foundation for regulating the development and use of land in Ontario, with key objectives including:

- Building strong communities;
- The wise use and management of resources by focusing growth within urban and rural settlement areas; and,
- Protecting public health and safety by avoiding significant and sensitive resources.

Although it should be read in its entirety, relevant policies of the PPS promote efficient development patterns which sustain the financial well-being of the Province and municipalities over the long-term, and cost-effective development patterns to minimize land consumption and infrastructure costs. The DDMP adheres to the direction provided in the PPS, and in particular, the following policies relating to residential intensification and the efficient use of land and resources.

- Beginning with Policy 1.1.1, the PPS calls for the creation of healthy, liveable, and safe communities through the accommodation of an appropriate range and mix of residential (including affordable housing), employment, institutional, recreation, park and open space, and other uses that meet long-term needs.
- Policy 1.1.2 directs that municipalities make available sufficient land to accommodate an appropriate range and mix of land uses to meet projected needs to their planning time horizon (30 years). Such lands can be made available through intensification and redevelopment, and if necessary, designated growth areas.
- In particular, the PPS requires that land use patterns be based on densities and a mix of land uses which efficiently use land and resources, infrastructure, and public service facilities but which avoid the need for unjustified and/or uneconomical expansion, and support active transportation, among other requirements (Policy 1.1.3.2).
- Policy 1.1.3.3 continues these themes, requiring that planning authorities shall identify appropriate locations and promote opportunities for redevelopment and intensification where this can be accommodated, taking into account existing building stock or areas, and the availability of existing or planned infrastructure and public service facilities. The PPS goes on, in Policy 1.1.3.5, to indicate that minimum targets for intensification and redevelopment within built-up areas shall be established and implemented by planning authorities. New development taking place in designated growth areas should be planned adjacent to the existing built-up area, have a compact form, and a mix of uses and densities that allow for the efficient use of the land, infrastructure, and public service facilities (Policy 1.1.3.6).
- In regards to employment, Policy 1.3.1 states that planning authorities shall promote economic development and competitiveness by way of providing an appropriate mix and range of employment and institutional uses to meet long-term needs; provide opportunities for a diversified economic base; encourage compact, mixed-use development that incorporates employment uses to support liveable and resilient communities; and ensure the necessary infrastructure is in place to support current and future needs.
- With respect to housing, Policy 1.4.3 directs that planning authorities shall provide an appropriate range and mix of housing types and densities to meet projected requirements of current and future residents by, among other matters, facilitating all forms of residential intensification and redevelopment, directing the development of new housing towards locations where appropriate

levels of infrastructure and public service facilities are or will be available to support current and future needs, and promoting densities for new housing which efficiently use land, resources, infrastructure and public service facilities. It also aims to minimize the cost of housing through the provision of affordable options for low to moderate income households.

- Policy 1.5.1 promotes healthy, active communities by planning public streets, spaces, and facilities to be safe, meet the needs of pedestrians, foster social interaction, and facilitate active transportation and community connectivity. This policy also aims to provide a full range of publically-accessible recreation facilities including, among other things, parks, open space areas, trails and linkages.

- Policy 1.6.5 directs that public service facilities should be co-located in community hubs, where appropriate, to promote cost-effectiveness and facilitate service integration, access to transit, and active transportation.

- Transportation is an essential element for the efficient use of infrastructure (Section 1.6.7). With respect to transportation systems, Policy 1.6.7.4 promotes a land use pattern, density, and mix of uses that minimize the length and number of vehicle trips and supports current and future use of transit and active transportation. Transportation and land use considerations shall be integrated at all stages of the planning process (Policy 1.6.7.5).

- Policy 1.7.1 requires that long-term prosperity be supported by, among other measures, promoting opportunities for economic development and community investment-readiness; optimizing the long-term availability and use of land, resources, infrastructure and public service facilities; maintaining and, where possible, enhancing the vitality and viability of downtowns and main streets; providing opportunities for sustainable tourism development; and encouraging a sense of place by promoting well-designed built form and cultural planning.

- Finally, the PPS directs that planning authorities support measures to improve energy conservation and efficiency, air quality, and reduce greenhouse gas emissions, through the promotion of compact built form and a structure of nodes and corridors; promotion of the use of active transportation; and improve the mix of employment and housing uses to shorten commute journeys and decrease transportation congestion, among others (Policy 1.8.1).

7.1.2 Growth Plan for the Greater Golden Horseshoe

The Growth Plan for the Greater Golden Horseshoe ("Growth Plan") was prepared and approved under the Places to Grow Act (2005) on June 16th, 2006, and has subsequently been amended twice, including most recently on June 17, 2013, by Amendment No. 2 which provided updated population and employment forecasts by region. The Growth Plan provides the planning framework for the implementation of the Province's vision for the Greater Golden Horseshoe Region through to the year 2041, and is to be read in conjunction with the PPS. The Growth Plan prevails where the two policies are in conflict.

Similar to the PPS, the Growth Plan supports mixed-use intensification within built-up areas, of which the Town of Wasaga Beach is designated as one. Section 1.2.2 describes the guiding principles of the Growth Plan, which include, amongst others, the building of compact, vibrant and complete communities; protecting, conserving, enhancing, and wise use of valuable natural resources of land, air, and water for current and future generations; and the optimization of existing infrastructure to support growth in a compact and efficient form.

Section 2.1 continues these policy themes, indicating that the Growth Plan encourages the better use of land and infrastructure by directing growth to existing urban areas.

The DDMP has been designed to implement the policies of Section 2.2.2.1 (Managing Growth), which mandates that population growth be accommodated by, among other means:

- Directing a significant portion of new growth to built-up areas through intensification;

- Focusing intensification in intensification areas;

- Reducing the dependence on the automobile through the development of mixed-use, pedestrian-friendly urban environments; and,

- Contributing to the development of a complete community with a diverse mix of land uses and housing types, high quality public open space, and providing easy access to local stores and services.

Upper or single-tier municipalities, the County of Simcoe in this case, are tasked with allocating population and employment projections to their lower-tier municipalities. A minimum of 40% of all residential development occurring annually within upper and single-tier municipalities will be within built-up areas (Section 2.2.3.1). The current version of the Growth Plan projects 497,000 people and 152,000 jobs in the County of Simcoe by 2041 (Schedule 3). Schedule 7 breaks down the growth forecasts for lower-tier municipalities to 2031, allocating 27,500 people and 3,500 jobs to Wasaga Beach.

All municipalities will develop and implement through their official plans and other supporting documents, a strategy and policies to phase in and achieve intensification. This strategy and policies will be based on the growth forecasts in the Growth Plan, encourage intensification throughout the built-up area, identify intensification areas, and plan for a range and mix of housing (Section 2.2.3.6).

All intensification areas will be planned and designed to attract a significant portion of population and employment growth; provide a diverse and compatible mix of land uses, including residential and employment uses, to support vibrant neighbourhoods; provide high-quality public open spaces; and achieve higher densities than the surrounding areas. The Town and the DDMP process has identified the downtown in Wasaga Beach as a significant opportunity to become an intensification area.

Amendment 1 to the Growth Plan (Section 6) provides a more detailed direction on how the plan's vision will be achieved in the County of Simcoe and the cities of Barrie and Orillia, known together as the Simcoe Sub-Area. The policies in Section 6 direct a significant portion of growth within the Simcoe Sub-area to communities where development can be most effectively serviced and where growth improves the range of opportunities for people to live, work, and play in their communities, with a particular emphasis on primary settlement areas. Within the Simcoe Sub-Area, Wasaga Beach is not considered a primary settlement area and as such is not a significant focus of growth relative to some other communities.

7.1.3 Simcoe County Official Plan

The Official Plan for the County of Simcoe was adopted on November 25, 2008 and approved most recently by the OMB on December 29, 2016. The County Official Plan provides a policy basis for exercising the approval authorities for local municipal official plans and amendments, and applications for the subdivision of land.

It represents the primary policy tool guiding growth, land use, development and reurbanization in the County to the year 2031. It is designed to assist in growth management to 2031 in accordance with the Growth Plan. It attempts to achieve a balance between the demands for economic development, community building, and environmental conservation and provide a framework for coordinated planning with adjacent municipalities, agencies, and other levels of government.

The goals of the County of Simcoe Official Plan are:

- To protect, conserve, and enhance the County's natural and cultural heritage;
- To achieve wise management and use of the County's resources;
- To implement growth management to achieve lifestyle quality and efficient and cost effective municipal servicing, development and land use;
- To achieve coordinated land use planning among the County's local municipalities and with neighbouring counties, districts, regions, and separated cities, and First Nations lands;
- To further community economic development which promotes economic sustainability in Simcoe County communities, providing employment and business opportunities; and
- To promote, protect and enhance public health and safety.

The County Official Plan's planning strategy directs the majority of growth to settlements where it can be effectively serviced and support diversified economic functions and opportunities including a range of housing options. These settlements include the Town of Wasaga Beach.

As previously mentioned, the County of Simcoe allocates population and employment growth to lower-tier municipalities. Wasaga Beach has been allocated 27,500 people and 3,500 jobs in 2031, as per the previous Provincial growth forecasts. An updated projection for lower-tier municipalities has not been completed by the County for the recent 2041 forecasts contained in Amendment 2 of the Growth Plan.

The County Official Plan also sets intensification targets for the lower-tier municipalities. The Town of Wasaga Beach has a minimum intensification target of 20% of all new residential units to be constructed within its built boundaries. This target recognizes the character of development in Wasaga Beach and is therefore below the County-wide intensification target of 32% (Section 3.5.24).

As per the County Official Plan, each local municipality shall develop an intensification strategy and implement the strategy through its official plan in order to phase in and achieve the intensification targets. Through the strategy, local municipalities shall promote and facilitate intensification and efficient use of land in built-up areas; identify intensification areas to support achievement of the intensification target; promote the development of mixed-use areas; identify areas appropriate for revitalization and redevelopment; identify the type and scale of development appropriate for the intensification areas; identify means to mitigate the effects of intensification in intensification areas on stable residential areas including consideration of transitional densities, built form and land uses; identify means to protect stable residential areas outside of intensification areas; and develop cost-effective and land efficient development standards (Section 3.5.25).

Section 3.5.26 directs that settlements shall be promoted as focal points for residential, commercial, and institutional uses, through the establishment of safe and pleasant pedestrian environments which encourage movement by foot, bicycle, and transit, development of attractive streetscapes, encouragement of downtown economic development initiatives, and the development of a range of housing types and costs.

It is a policy of the County Official Plan that in the development of settlements, a range of types of housing, including single-detached, semi-detached, townhouse, and apartment units, be provided, along with a mix of affordable housing, to meet a variety of housing needs (Section 3.5.30).

7.2 The Town of Wasaga Beach Official Plan

The need for an amended land use policy framework was identified by the Town through Official Plan Amendment ("OPA") 42. OPA 42 was developed based on direction from Council in February 2015 to:

"explore the development of a "Main Street" into a downtown core encompassing tourism, commercial, office, retail and residential facilities, in an architecturally designed and pleasant environment"

This direction was followed by detailed analysis and public consultation by Town staff that lead to the development of policies that established a geographic boundary for more detailed study. Importantly OPA 42 identifies this area as the primary intensification area for the Town. The work of staff also envisioned the Downtown could be a “collection of distinct districts with their own character and policies”.

As predicted by Staff, the DDMP has revealed the need for two distinct districts within the Downtown. Overall, the new Official Plan will need to offer policies that will guide development that will shape the unique character of each district. The following are an initial list of considerations, issues and suggested policy directions that could feed into the Official Plan review.

- **Main End Land Use Policies:** The Main End has an inherent value as a tourist destination. As such, it will have different land use policies and permitted uses than in Lower Main. However, permanent residential uses should be encouraged in the Main End in order to offset the seasonality of the area and improve the amount of foot traffic for businesses that are interested in staying open year-round.

- **Lower Main Land Use Policies:** Establishing a permanent population that will serve the forecasted housing needs of the community and aid in meeting the County intensification targets should be the main goal of the policies for Lower Main. The goal of Lower Main is to eventually become active and animated all year round, and to be a place where people gather for event and civic engagement.

- **Other Districts:** Additional sub-areas within the Downtown could be created to allow for different policies to affect different properties. Certain areas are likely to be focal points of the Downtown, and as such may need additional or different policies that may not be relevant to others. For example, the permitted uses and policies in regards to building heights or requirements for ground floor commercial space for the properties surrounding Main Street and Beck Street, proposed as the new heart of Lower Main, may be different from other properties in Lower Main located to the north towards Nottawasaga River, or south towards Stonebridge.

- **Residential Densities:** As the primary area to achieve intensification targets, the Official Plan should provide for a range of higher density uses in the Downtown. The key issue will be to establish a minimum density that recognizes the near-term market limitations for forms such as apartments. In any case to achieve the County intensification targets for Wasaga Beach, some areas, such as Main Street, may need to only allow development such as apartments. Consideration may be given to allow, in certain areas, street townhomes, and potentially stacked townhomes. These forms can also generate higher densities and add other market choices.

- **Retail and Commercial Uses:** The retail study conducted by J. C. Williams Group as part of the DDMP study indicated there is a slight oversupply of retail space in the Town of Wasaga Beach. Therefore, in the near term any new space would have to address specialized or niche markets

such as boutiques, craft and antique shops, restaurants, and specialized commercial services. Fortunately, these are the types of commercial uses best suited for the Downtown. However, the space required for these uses is likely modest and care will be required to develop policies that provide for the correct amount of space in targeted locations.

Related to this, a strategy for ground floor commercial space along main roads and in buildings around the public squares will need to be developed. An at grade retail strategy will be required that identifies how much and where retail is required in base buildings.

Additionally, consideration will need to be given to *w*hat types of uses should be allowed in the Downtown commercial spaces and how large the commercial spaces should be. A large-scale retailer, who may only be interested in constructing a single-storey building, may not fit the small-town Downtown image that Wasaga Beach is seeking. In that case, policies to discourage certain types of retailers may be needed in order to direct them to a shopping plaza in Stonebridge or other suburban locations.

Figure 5: Ground Floor Retail Examples

- **Existing Uses*:*** Consideration will need to be given to how the existing uses in the Downtown should be treated moving forward. Some of these uses would include the existing motels, Skull Island mini-golf, and the trailer park at Stonebridge Boulevard and Main Street.

  Will the existing uses be given site specific policies that allow that specific use on that property, or should they be allowed to become legal non-conforming uses? Should the existing non-conforming uses be allowed to expand? Should policies be put in place that prevent the use from continuing if the property is sold to another owner?

  It should be noted that designating and zoning many of these existing uses for high-density mixed-use development should increase the property values, which could in turn encourage the existing owners to sell to a private developer. As an example, the Gateway Camping and Holiday Trailer Park being a large contiguous site, could be attractive to a private developer seeking to build medium or higher density uses.

- **Building Heights*:*** The town should review the minimum and maximum allowable heights in two Downtown areas. NBLC believes four-storeys are appropriate for the Downtown as a base height.

However, we would suggest that consideration be given to a minimum height requirement for blocks that face on to the proposed new public spaces and potentially along Main Street in some areas. An exception to this may be civic buildings.

- **Section 37:** Section 37 of the Planning Act and Section 7.4.5.9.5 of the Official Plan allow for increased height and density, up to 6 or 8-storeys depending on the use, in exchange for community benefits in the beach area. This height maximum is likely appropriate. However, consideration should be given to applying Section 37 benefits to the Lower Main portion of the Downtown.

  The Section 37 policies currently contained in the approved Official Plan should be revised to ensure that the identified benefits are aligned with the language and objectives contained in the final DDMP.

- **Parking:** Currently, there is a significant amount of surface parking space in the Downtown, specifically in the beach area, the provincial park, and the property that has been recommended in the DDMP as a town square at Main Street and Beck Street. These surface parking lots, with the exception of the provincial park, represent significant development opportunities and are likely to be redeveloped over time as the DDMP recommendations are instituted.

  However, Wasaga Beach is going to remain an auto-centric community for the foreseeable future, and the tourism industry is reliant on day and overnight visitors who drive. As such, a parking strategy will need to be developed that ensures that there is an abundance of parking to meet the daily needs of residents and tourists, particularly during the peak summer seasons, while also ensuring that urban-style development can occur. Situating surface parking lots behind new buildings, out of view from the street could be one way to satisfy some of the parking demand, while shuttles to the Main End from a parking lot further from the beach may be a means to satisfy some of the additional demand in the summertime.

- **Heritage:** The Town of Wasaga Beach will need to determine if any of the existing structures in the Downtown are of historical or natural significance, and if so, how they should be retained.

- **Drive-thrus, Gas Stations, and Other non-traditional Downtown uses:** There are several uses that are common in Wasaga Beach that may not be consistent with the vision of the DDMP or that that the Town has for its Downtown. These could include drive-thrus and gas stations, among other uses. Given their suburban feel and lack of compatibility with a pedestrian environment, consideration should be given to limiting their development in specific parts of the Downtown, particularly around Main Street and Beck Street or in the Main End.

- **Entertainment Uses:** Consideration will need to be given to whether or not entertainment uses in the Downtown should only be allowed in the Beach area, or if there are areas within Lower Main, along Main Street, where they may be appropriate. These uses may conflict with the goals of the Lower Main area of Downtown so limiting them may be beneficial particularly as new

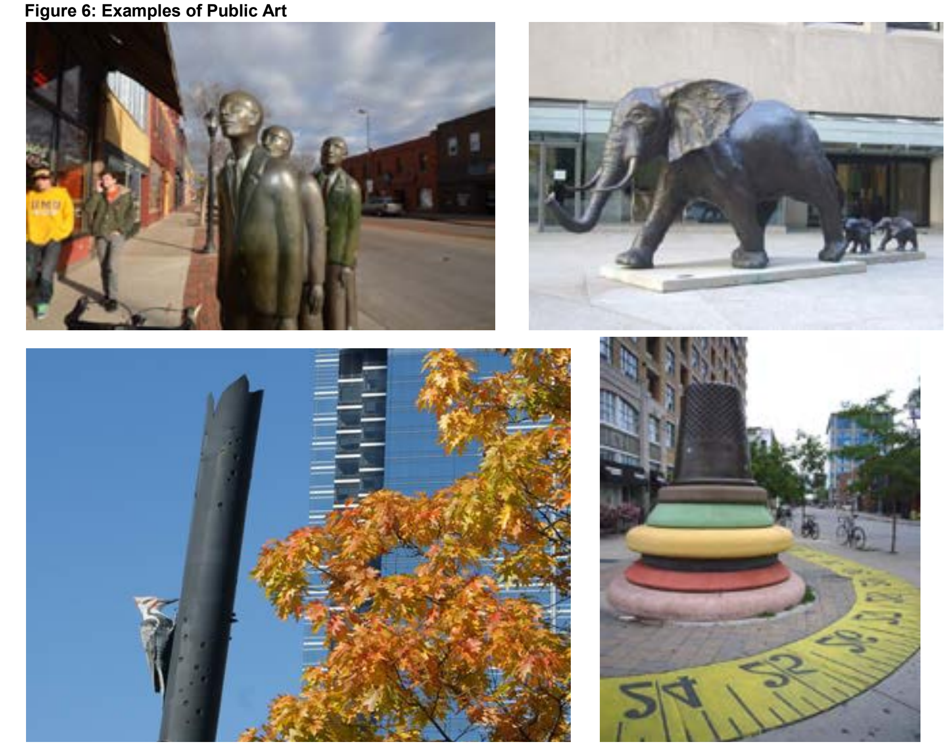
development becomes more widespread. This will have an impact on existing businesses like Skull Island mini-golf, located at Main Street and Glenwood Drive.

  Consideration could also be given to allowing entertainment uses in specific parts of the Lower Main area in the short-term given the fragmented development pattern that consists today and since full build-out of the Downtown is likely to take several decades.

- **Civic Uses:** Policies should be put in place that ensure that the Downtown receive first priority for any new civic use or replacement of an existing civic use. These civic uses are important public amenities and will increase the appeal of the Downtown and its viability as a place for intensification. A community hub that consolidates several civic uses is recommended in the DDMP, but consideration should also be given to adding additional civic uses on other properties that may be deemed appropriate.

- **The Role of Public Art:** Consideration will be needed with respect to the provision of public art and whether it is a priority for the Town to receive as part of new development. Public art can play a significant role in reinforcing the character and enjoyment of a Downtown area and can become a destination or attraction in itself. The Official Plan may offer policies that direct fees to be charged in support of new installations as part of the development approvals process.

Figure 6: Examples of Public Art



- **Parkland Dedication:** The Town should also consider the role of parkland dedication fees for new development within the context of funding public spaces envisioned in the DDMP, specifically the two public squares.

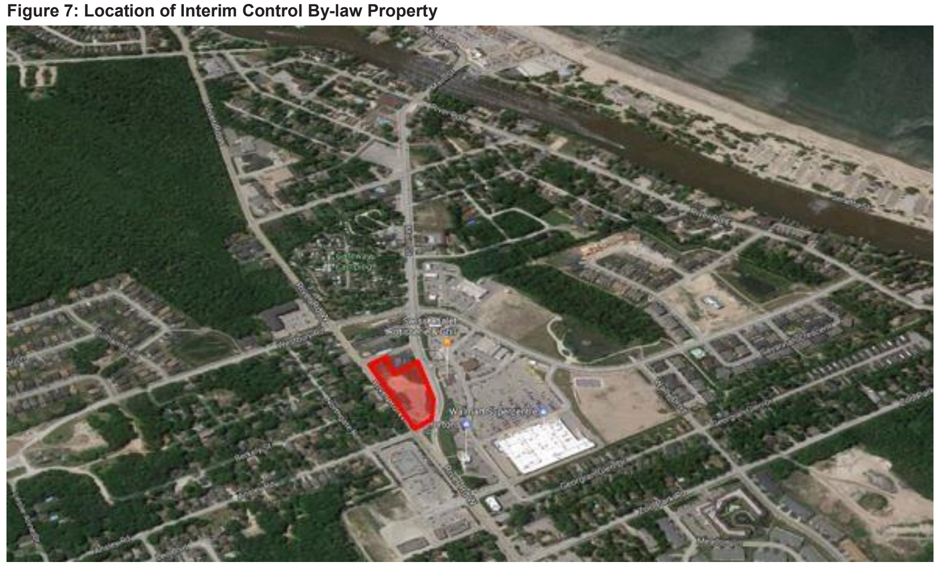
- **Community Improvement Planning:** The Town of Wasaga Beach had previously written, but not enacted, a Community Improvement Plan ("CIP") for Beach Areas One and Two in 2013. Consideration should be given to implementing a CIP for the entire Downtown, using the Beach Area One and Two CIP as a basis, and bringing it in line with the DDMP recommendations.

  As was the case with the Beach One and Two CIP in 2013, a Downtown CIP would give the Town the ability to provide development incentives in the Downtown. It is possible that these incentives will be particularly important along Main Street in the Lower Main area of the Downtown. These incentives could be time timed to stimulate early investment within Lower Main. Once the market in the Lower Main area has established itself, the incentives could be removed. Waiving development charges is typically the most effective option for private developers, but other potential incentives also include façade improvement programs, parkland dedication exemptions, building permit rebates, and property tax exemptions.

7.3 Interim Control By-law Property

On July 26, 2016, Council enacted an interim control by-law to allow time for the reconsideration of Council's approach to an application for a new gas station at the junction of Main Street and River Road West (304 Main Street) as illustrated in the **Figure 7**.

Figure 7: Location of Interim Control By-law Property



This is an important site for the Town that is a highly visible property for people entering and exiting the community. For visitors coming to Wasaga Beach for the first time it helps shape initial perceptions of the community. In this way, it forms an important gateway to the Town.

Given the limited number of gateway locations in Wasaga Beach, it is important that they are designed well. Ideally, this site would be developed in a manner that is visually interesting, attractive, and memorable, and that has some function for the Town. Communities such as Gravenhurst, Sudbury, Wawa, and Kenora have all made use of similar sites by employing significant art installations that have become synonymous with their town and are now attractions in themselves (**Figure 8**). While they may be tacky to some, their value as an attraction and as a landmark is undeniable. The Town of Wasaga Beach could even use the opportunity to create a contest whereby residents submit ideas for what they think is representative of Wasaga Beach for the installation at this gateway location.

Figure 8: Examples of installations in Sudbury (top left) and Gravenhurst (top right), and gateway-style park (bottom)

Recognizing that an application for a gas station has been made, finding a site solution that allows the future economic use of the property, while at the same performing an important civic function is the basis of an ideal solution. An approach would be to challenge the proponent to invest in high-quality architectural and landscape design that both promotes the business as well as the site's location as a gateway to the Town of Wasaga Beach and the Downtown (see **Figure 9**) for interesting examples of gas station architecture). This approach could still utilize a large installation as mentioned above, but may require some investment on the Town's part in order to aid in ensuring that the design is of higher quality than the typical gas station.

Figure 9: Modern Gas Station Designs

Beyond architectural the Town might also explore opportunities to work with the developer to allow some type of community –tourism space that provide tourists with wayfinding services. This use may also enhance the business profile of the gas station.

7.4 Summary

A new Downtown is critical for Wasaga Beach to achieve the goals of the overriding provincial planning legislation. Both the Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe focus on intensification and efficient use of land and resources. Their policies encourage the revitalization of downtowns to become vibrant and convenient centres, the creation of complete

communities, the development of a wide range of housing options to meet the needs of the local population, and a reduction in the reliance on personal automobiles.

Currently, the planning policy in the Downtown area is tourism focused and limits the development of uses that serve the permanent population. In order to create a more compact, liveable Downtown area, changes will be needed. The Downtown has the opportunity to become a significant intensification area for the Town of Wasaga Beach, and the recommendations in the DDMP provide a starting point for creating an intensification strategy as required by the Growth Plan and the County of Simcoe Official Plan.

8.0 Implementation Process

The DDMP is the first step in creating a new Downtown for Wasaga Beach. However, the Town will need to take several steps in the coming years in order to ensure that the vision of the DDMP can be executed. This section provides a brief overview of the steps that the Town will need to take over a period of at least 24 to 36 months prior to any significant construction beginning.

The goal of much of the early implementation work is to determine the best approach to capture financial and public benefits. Understanding the costs and benefits of all options is imperative for success and will put the Town of Wasaga Beach in a better negotiating position when they start engaging the private and public sectors when seeking investment. This understanding also reduces uncertainties regarding costs and approvals, and makes the most efficient use of limited public dollars.

This implementation work should begin immediately, and much of this work can occur concurrently. The time frame can be highly variable subject to Council's direction, the availability of funds, and broader economic factors such as the strength of the real estate market.

While this process is for the implementation of some of the larger components of the redevelopment, the Town should also consider other "small-win" changes that can be made in the short-term. Improvements like the food stalls in the Main End are already being pursued, and building on this type of initiative could aid in ensuring that residents see progress and that enthusiasm for the redevelopment remains.

Figure 10, on the following page, is a Gantt chart that maps out, at a high level, the steps the Town will need to take in the coming years and that are included in this section.

8.1 Servicing and Public Realm Design

The Town should immediately begin work to properly detail and plan the infrastructure proposed in the DDMP. This will be one of the more work intensive stages and could consume anywhere from 12 to 18 months, depending on the complexity of servicing and engineering issues that arise. This work would have the following objectives:

- Map out the space requirements of new streets and open spaces, and confirm which lands are required to execute the plan;
- Provide initial design standards and alternatives for servicing, streetscapes, and urban spaces;
- Provide initial costing and options for cost savings and phasing of costs;
- Determine funding and financing approaches – what will be paid for by the private sector, by the tax base, and by alternative funding sources; Provide construction schedule and timing, and phasing alternatives – begin to consider how infrastructure improvements can be installed without

  interfering with summer tourism traffic. A determination of the precise timing of installation of infrastructure will also allow for proper timing for release of developer calls for proposals;
- Identify key issues such as soil and tree removals, among others;
- Identify approvals – including environmental assessment process timing and costs; and,
- Development of specifications and standards for the development of public spaces. For example, if a developer will be required to build the plaza in the Main End, it will be necessary to include in any bid package the exact area and specifications of the plaza including servicing, surfacing, street lighting and furniture to allow bids to be developed accurately.

It should be noted that the need for an environmental assessment, or multiple environmental assessments, could add a significant amount of time to the implementation timeline.

Figure 10: Implementation Plan

8.2 Policy Review

The Town is in the process of reviewing its Official Plan. This process should consider the outcomes of the DDMP and this report as well as how, or if, to incorporate Community Improvement Plan policies. This work can proceed immediately and in parallel to all other activities in the work plan.

8.3 Market Soundings and Expression of Interest

Beginning immediately, the Town of Wasaga Beach should reach out to experienced and interested parties in order to test design concepts with the market and begin to feel out what the private sector may be looking for in a redevelopment plan.

This stage could include the launch of a request for expressions of interest ("REOI") which will confirm that there is market interest in new development in Wasaga Beach, identify potential development partners, and solicit input in the process.

Interviews with potential development interests should help to determine:

- Depth of market interests;
- The most desirable parcels;
- How much land should be included in the call for development proposals (e.g. large land offering vs. multiple small offerings, and the pros and cons of each option); and,
- What format of proposal call is most appealing and generates the greatest amount of bids.

The findings of the market soundings and a REOI could aid in adjusting the approach of the Town's disposition strategy.

8.4 Disposition Strategy

The goal of the disposition strategy is to determine what the best approach would be to extracting value from the Town-owned lands. Two common approaches are to sell off the individual parcels (or a group of parcels) to a private developer, or to enter in to a joint venture with a developer partner that may provide some additional control over the decision making of the use of that parcel.

Another approach could be for the Town of Wasaga Beach to establish a Municipal Development Corporation ("MDC"). This MDC could be as large or as small as the Town deems appropriate, and could even be staffed part-time.

Wholly owned by the Town of Wasaga Beach, the MDC would be charged – under direction from Council – to negotiate financial deals with private developers. The benefit of an MDC is that it takes sensitive negotiations out of the public forum of Council and allows for quicker, more efficient negotiations. Many developers are resistant to negotiating in public with municipal staff and council. Developers are also deterred by the time it can take a deal to be reached with Council. This can limit the marketability of municipal initiatives and value capture.

In other municipalities such as Toronto, Ottawa, and Guelph, Councils authorize an MDC to negotiate within certain parameters – which are exposed to public scrutiny – but the details are left to the MDC. Properly staffed, an MDC improves the potential for a better financial performance of the deal and more rapid results.

The creation of an MDC is provided for under the Municipal Act but must be supported by a business case and a public meeting.

8.5 Phase One Plan

Based on the information gathered in the previous steps, the Town of Wasaga Beach can then begin to create a plan for the first phase of redevelopment. This will entail:

- Identifying which lands will be prioritized as part of the first phase;
- Creating development objectives;
- Determining which development parcels require assemblies, severances, etc;
- Identifying servicing and infrastructure costs for the first phase of development; and,
- Determining a preferred deal structure and financial strategy.

While there is not yet a developer partner at this stage of the implementation process, this stage aids in setting the town up for the preparation and issuance of a bid package in the near future. The phase one plan will set out everything that the developer will be responsible for, the costs, and the expectations for each element of the development.

8.6 Land Acquisitions, Severances, and Consolidations

With a clear understanding of the land needs required from the above noted studies, and confidence from the market soundings that sufficient development interest is present, the land necessary for implementation of public infrastructure should be acquired concurrent with the creation of the phase one plan. This stage will identify which lands are needed to facilitate new roads, to create new development parcels, etc.

Once the lands to be sold are clearly delineated they will need to be legally described and potentially severed for adjoining lands. This could happen after the developer is selected providing there is certainty of the exact area of land that will be transferred. Potential Planning Act appeals could slow down the process and should be considered early on.

It is anticipated that this work could be ongoing throughout the timeline of the implementation plan.

8.7 Purchase and Other Legal Agreements (Phase One)

Concurrent with the land acquisitions, severances, and consolidations, the Town of Wasaga Beach should develop its own form of purchase agreement for the future request for proposals ("RFP"). Council should consider the long term responsibilities of the developer and those of the Town – if any – in the management of public and private open spaces. Who owns, operates, and maintains these spaces must be determined and ensure there is clarity on these issues for both the Town and its future development partner – at least in draft – prior to the launch of a procurement process.

The legal agreements are likely to be an ongoing part of the implementation plan as decisions on blocks throughout the Downtown are made.

8.8 Preparation and Issuance of Bid Package

With the above work complete or well underway, the approach to procurement should be developed. Collection of the necessary bid information, submission requirements, communication and question protocol, evaluation and scoring criteria, and other key issues will need to be determined.

This could be a two-stage process with an initial request for expressions of interests or qualifications to bid – possibly even from international applicants – followed by a request for offers from short listed bid teams. The Town may also decide to simplify the process by asking for bids directly – at the risk of being flooded with unqualified bidders.

This stage of the work requires careful planning. A clear picture of what is being offered, and an equally clear picture of what will be required of the developer, is necessary. Work from the servicing and public realm design stage will be critical in the development of the bid materials to offer certainty of the bid components to the developer.

The creation of a project website will aid in easing the bid process. Interested firms can access all the information they may need on the website, including application materials, and submit their bids via the internet.

Once a developer partner has been chosen following the launch and evaluation of bids, the project design and approvals stage will officially begin. This stage will include detailed architectural and urban design work, in addition to planning approvals. Some of the design work is likely to occur earlier as part of the developer's bid package which could aid in shortening the length of this stage. If residential units are included, sales for the initial phase may begin prior to project approval in order to ensure that construction on the first phase can begin as soon as possible.

Upon project approval, construction on the first phase of development can occur. As construction is underway, design of subsequent development blocks and phases can begin to allow for a seamless transition to latter phases, as the market dictates.

B.3 RETAIL REPORT (J.C. WILLIAMS)

G L O B A L   R E T A I L   A D V I S O R S

J.C. WILLIAMS GROUP

Downtown Development Master Plan

Downtown Wasaga Beach: Retail and Retail-related Program

February 2017

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1.0 Introduction

This report is part of the economic plan for Downtown Wasaga Beach. Its implementation will rely heavily on the other three components of urban economic development, namely:

1. Solid organization and support from both the private and public sectors,
2. Strategic marketing focused on target population segments, and
3. Design that is both sensible and creative.

Also, this report is written for the short and mid-term, or the likely foreseeable future. It is important that a realistic assessment be taken because investment decisions are more on facts about a market's potential.

There is a solid potential for growth in this beautiful beach community. The requirements are (a) support for market-sensitive residential growth and (b) creation of unique cafés and services that will serve both local residents and beach visitors.

2.0 Needed: An Exciting Vision for Downtown

Creating a downtown retail district is fundamental to the creation and revitalization of Downtown Wasaga Beach. No retail—no downtown.

People very quickly asses an urban situation by the health of its central retail core. They observe and judge the number and types of stores, vacancies, people on the streets, and activities. So where there is a sparse picture, a negative opinion is formed. Additionally, weak or no retail discourages the creation of office-based businesses and government. Workers like to be close to retail (cafés, stores, services, culture, and activities). So when visitors approach an urban community, they decide to move on—or stay, enjoy, and spend.

While there are many issues that must be dealt with, there is an opportunity to start from scratch creating a "sense of community and place." This requires an acceptance of the realization that (a) downtown can be formed and that (b) it will start small and build incrementally over time.

2.1 A Wasaga Beach Brand

Essentially, the economic, marketing, and design components of revitalization are about re-building the Wasaga Beach brand. Currently there is both a rational reason to like Wasaga Beach—the beach and local environment and an emotional reason to dislike Wasaga Beach—the negative reputation about party behaviour and the quality of its "public face," e.g., run-down motels. This is a very negative brand image which will not encourage private sector investment in retail. Consequently, if revitalization is to be introduced the Town will have to help lead the creation of an environment that will facilitate retail development and the enjoyment from it. Then a new brand image will emerge.

An essential first step is the creation and broad acceptance of a Vision for the near-, mid-, and longer-term future. This is the basis to keeping the community and stakeholders focused.

Downtown Wasaga Beach: Retail and Retail-related Program

2.2 The Future Role for Downtown Wasaga Beach

Cities and towns are judged by the robustness of their downtown. Think Hamilton or St. Catharines—not so great. Think Montreal or Stratford—great! There are many examples of smaller towns that have pulled themselves up by their bootstraps to enjoy success, e.g., Canmore, Alberta, Orillia, Ontario; Delray Beach, Florida; Breckenridge, Colorado, Taos, New Mexico.

Downtown plays a multi-functional role for all citizens. It is where you put the Christmas tree (or menorah)! It is where parades are held on Canada Day and winning sports teams are celebrated. And on a strictly commercial side, retailers can offer sidewalk sales and put up Christmas decorations and farmers can sell at public markets. The key to success is the multi-dimensional nature of downtowns. It is the (only) place where an entire community can enjoy its diversity.

Retail development follows people. So the critical job for Downtown Wasaga Beach is to create a pedestrian traffic base (for retail and retail-related stores, businesses, services, institutions, attractions, and hang-out spaces) that will generate enough shopping and buying to support small businesses. Ideally, this requires immediately adjacent residents who will use and spend in downtown shops and cafés every day.

3.0 Discovery: A Review of Wasaga Beach's Population

The Town's natural beauty, low-cost real estate, the Beach, and easy adjacency to Barrie, Collingwood, and even Toronto have attracted a very specific type of population. This situation is also reflected in the retail supply.

3.1 Population Growth and Character is Limited

The following is a brief overview of the demographics of Wasaga Beach and forecasts by Statistics Canada, Environics Analytics, and GeoMarketing Solutions. This information is current and based on 2016 reports.

- The trade area population is 19,645.
- The population growth to 2021 is forecast at 20,966 or 6.7%.
- The population demographics are different from the province:
  - Over 55 years of age is 39.4% vs. 29.7% in Ontario
  - 25–44 year of age is 17.9% vs. 26.8 in Ontario
  - Average household income is $80,873 vs. $100,686 in Ontario
  - Expenditures per household is $97,142 vs. $126,720 in Ontario

(The details are in Appendix A.)

3.2 Wasaga Beach Population's Lifestyle Characteristics Represent a Mature Population

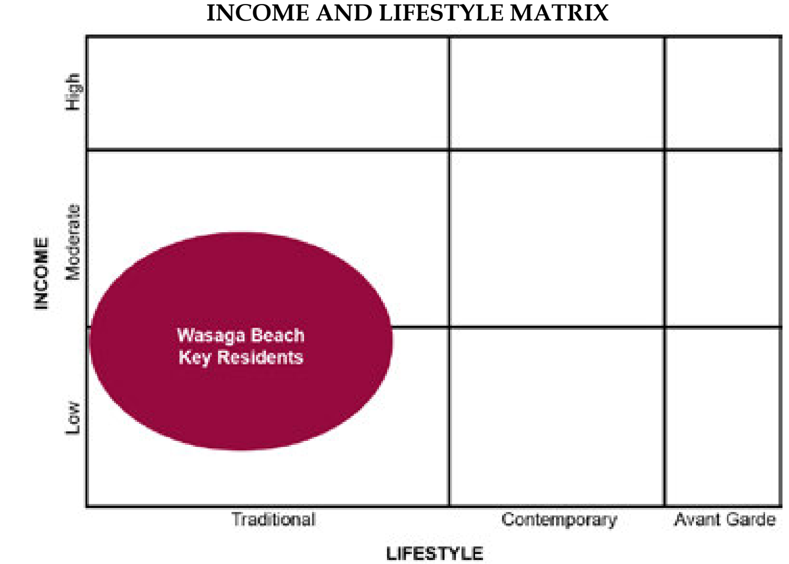
The chart below identifies key clusters of residents (supplied by Environics Analytics/PRIZM5 reports). The top six PRIZM5 segments are:

PRIZM5 Segments	% of Population
1. Traditional Town Living: smaller towns, blue collar, traditional	34.8%
2. **Heartland Retirees:** lower-middle income, unpretentious housing	33.4%
3. Country Acres: middle-age and older, more affluent, rural	11.9%
4. Empty Nesters: upper-middle income, in houses	6.7%
5. Serenity Springs: over 55/65, small town, lower-middle income	5.8%
6. Second City Retirees: at or near retirement, second-tier cities	4.5%

Additional information on the PRIZM5 Segments is in Appendix B.

J.C. Williams Group views a retail marketplace through the eyes of consumers based on their (a) income and price zone purchases and (b) their lifestyle. This allows retail observers to understand where there is market over or under saturation.

INCOME AND LIFESTYLE MATRIX



This is the residential market for Wasaga Beach. Obviously, there are people with different incomes and lifestyles, but they are a distinct minority.

3.3 Economic Review

There is no significant economic employment engine in Wasaga Beach.

The largest employment category is retail and service. Given the nature of the retailers, most of those employed will be part time. And by its very nature, tourism employment will be limited to part-time jobs in the summer months.

3.4 In Summary

Both the demographic and the Lifestyle (PRIZM5) profiles of Wasaga Beach residents indicate a relatively low potential for retail spending. This is unlikely to change in the short term.

4.0 Retail Review Indicates Market Saturation

Given the size and characteristics of the trade area, Wasaga Beach is well-served by powerful retailers (e.g., Walmart Supercentre, Real Canadian Superstore [Joe Fresh], Canadian Tire [Mark's], pharmacies, DIY centres, and fast-casual food services). See photos on pages 10–14.

It would be very difficult for new stores serving the "mass, middle market" to enter the Wasaga Beach trade area to compete against these national chains.

There is a plethora of small services and shops.

4.1 Market Coverage and Sales Opportunities

Based on a review using Statistics Canada data and general industry performance standards (Centre for the Study of Commercial Activity, Ryerson University), the following information outlines the current retail situation. (Only major merchandise categories are examined.)

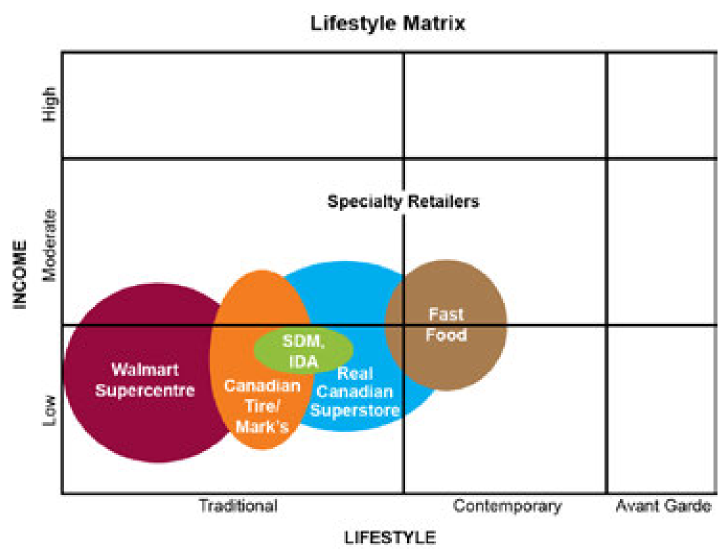
The market is over saturated. (See *Table below.)*

Commodity	Expenditure per Capita	Capture Rate Est.	Demand	Store Productivity (per sq. ft.)	Warranted Space (sq. ft.)	Existing Space (sq. ft.)	Shortage/ Surplus
Apparel, shoes, etc.	$1,415	50%	$13,751	$300	45,837	100,000	-50,000
Grocery, health	$2,762	90%	$48,306	$500	96,600	120,000	-23,000
Building, garden	$294	80%	$4,573	$250	18,295	95,000	-76,000
Home, electronics	$686	30%	$4,002	$300	13,330	10,000	-3,000
Sports, hobby	$484	30%	2,824	$300	9,413	20,000	-10,000
Total							**-162,000**

- Even with adjustments for market growth, (offset by shopping elsewhere), capture rates, productivity, and space calculations, there is an over-stored situation. This is all in the mass market price zones and commodities.

- There is no (zero!) residential centrality (just six kilometres of cottages and homes strung out along the beach) that would create enough density to support a typical small town core (e.g., lots of people within an easy stroll).
- There are missing retail store categories such as specialty gifts, specialty apparel, etc.

RETAIL COVERAGE OF WASAGA BEACH



One can observe that there is limited supply of middle and upper-middle products. This reflects the local population and the competitive situation from Collingwood and Barrie.

Powerful Big-box Retailers

Suburban Strip Centres





Suburban Mall


Beach Retail




Sporadic Retail Offering




4.3 Rental and Development

Because the Wasaga Beach retail market is fully saturated and the retail space supply has vacancies, the current rental rates are below what is required to justify retail development.

5.0 Strategy for Revitalization

5.1 Two Strategic Requirements for Retail Service

Successful town centres have two important aspects to them, namely:

1. **Diversity:** to fill all the different needs that users will have. This keeps people in the trade area and negates any reason for them to go elsewhere. This fundamentally forms the base of business that supports the creation of a downtown. In traditional towns, it is where the pioneers opened shop. Counter to this was the development of retail in the town's suburbs (Wasaga Beach's situation).
2. **Unique specialities:** that draw people in to the downtown because the merchandise, food services, services, etc. are superior. The burden of a longer trip is worth the benefit of finding something special in a particular town centre. When towns are able to create a specialty, they take on a special character (brand). This is particularly important when (a) the basics (#1 above) are filled and (b) where there is a large market (2 million visitors) with unfilled retail offerings.

Thinking and Planning Strategically

Strategic planning is based on an "if" and "then" principle—"if we do this, then this will happen."

Because the local trade area is more than adequately covered, there is no real, significant opportunity to add adequate amounts of basic shopping products.

So strategically, Downtown Wasaga Beach must find gaps in the retail offering that people cannot now find and so go elsewhere to buy, or do not buy at all. Then, for longer-term growth, Wasaga Beach must find an attraction that will draw people and shoppers. This can be any type of product (e.g., art, food) or service (e.g., spa) or attraction (e.g., major blues festival or beach event or entertainment park).

5.2 Looking for a Stable Result Beyond the Current Suburban Retail Developments

At best, retail is a fragile business—and more so in Wasaga Beach. By creating a central business district, the likelihood of a business thriving is far greater (think synergy, adjacencies, shared services, and parking) than if it is isolated.

Currently the Town of Wasaga Beach has ample suburban-type retail developments. Basic shopping needs are well served by the various outlying centres such as Real Canadian Superstore, Mark's, Canadian Tire, Castle, and Stonebridge Town Centre with Walmart. While containing many excellent stores, none of these malls or strip centres supply the characteristics needed for a solid downtown experience.

While big-box stores serve the needs of the vast majority of residents and visitors, this population typically responds well to a non-big-box mall experience. People like to enjoy the emotional side of shopping where they can socialize.

Finding Niche Opportunities—Think Small

There are niche opportunities that the large, suburban-located stores cannot offer—namely small specialist shops or services in an intimate downtown environment. These will include:

Town Square

- specialty personal service, e.g., beauty salon, optometrist,

Festival Square

- specialty eating, e.g., bakery, deli, café/restaurant, best butter tarts,
- specialty dining, e.g., best lake fish, gourmet burger,
- ethnic, e.g., national specialist,
- cultural centre, e.g., craft or art gallery.

The Town Square and Festival Square will be part of the Master Plan for Downtown Wasaga Beach. They will serve as unique "people places" for residents and visitors to hang out and enjoy special events and as such a wide range of Wasaga Beach citizens will benefit from these special squares.

The key operative words are "unique" (must be different and wanted) and "best" (must be worth a +30-mile drive and be regarded as the best in the region).

There are many examples: Stratford's restaurant scene, Cows ice cream in Charlottetown, PEI, winery shops in Niagara-on-the-Lake.

5.3 Two Key Guidelines are Needed When Starting from Scratch

A. Synergy is Essential

While retail merchandise stores are important for a downtown, they are not 100% essential to start with. At the beginning of a revitalization program, people are changing their buying habits and spending more time on personal activities such as visiting libraries and civic halls, going to cultural and entertainment events, using speciality healthcare (wellness) and personal services (legal, beauty) and, more than ever, on food, snacking, dining out.

There is a strong economic reason for this observation. The first retailers (services, etc.) will likely be independents—which means owner-operated stores with one or very few staff (more if a café). These are all minimal-risk operations because they will not have a lot of inventory (i.e., stores) and so it is easier to get into business this way. They can also survive the quiet off season months better.

However, once established and when clustered with public sector (e.g., post office, LCBO) stores, the pedestrian footfall will support merchandise stores and larger cafés.

Creating a centre for these (non-traditional merchandise) services will likely lead the revitalization kick-off. This is a great role for the Town Square in the Lower Main District with the emphasis on serving local residents, but should not be excluded from the Festival Square area for visitors (and locals).

B. Small is a Big Idea

It is crucial that the initial launch of the retail core create a tightly knit group of stores (cafés, services, etc.). The shops, cafés, and services must be side-by-side to (a) look like a retail district, (b) offer efficient and easy shopping, and (c) encourage multiple purchases on a visit.

5.4 Use Your Bonus Card!

Wasaga Beach has the very obvious benefit of a beach that attracts 1.8 to 2 million people a year. Other towns "would kill for this."

A new downtown must lever off of this traffic. The revitalization plan for the "Main End District" must create ways that encourage Beach visitors to use any new retail (food, services, entertainment, etc.) so that: (a) the business done in the peak months is so substantial that it will financially support the enterprise over the quiet months, (b) create a real "place" that locals will be proud of, use, hang out, and (c) form the basis of a "retail strength" that will draw people to Downtown Wasaga Beach as part of a year-round destination both at the Town Square and the Festival Square.

<u>A guestimate calculation of visitor spending potential is as follows:</u>

Approximate number of visitors: ±2,000,000. If 12,000 sq. ft. is new, one-half is spent elsewhere.

Spending range per capita	$5.00	$10.00	$20.00
Likely capture rate @ 20% (various sources) sale generated	$10 million	$20 million	$40 million
Range (one-half spent now?)	$5 million	$10 million	$20 million
Impact on 12,000 square feet – sales per square foot	400 sq. ft.	800 sq. ft.	1,600 sq. ft.

There would be enough retail sales generated at the mid-range to make 12,000 square feet of retail viable or 20,000 sq. ft. at the high end. This, of course, would be done during an intense four month period—plus some selective low level activity throughout the rest of the year.

The key to success is to have enough retailers, cafés, etc. that offer a compelling reason to leave the Beach and shop in and around Festival Square and the adjacent area.

6.0 A Hand-in-hand, Step-by-step Growth Plan

No people. No retail. No retail, no downtown. Period.

6.1 Making the First Move

The first phase of the downtown development process must be a collaborative two-step process with both the Town and private entrepreneurs building together. One cannot do it alone. The creation of Downtown must follow this action process:

1. Residential units must be in the Main End District and directly adjacent to the Festival Square.
2. Complementary support from the Town should come from the appropriate civic buildings, services, transportation hub, and community centre. A community hub complex could be a solid catalyst, too. This will encourage both residents and stores to locate at the Town Square in the Lower Main District.

In order to create retail space, it will be necessary to blend the ground floor space with upper floors of residential and office. This could achieve a blended rate of return to justify the first steps of revitalization.

6.2 Creating an Expanded Retail Experience

The next phase should witness:

1. Further intensification of residents in the Downtown area (easily walkable), and
2. The addition of more services (Lower Main) and food services (Main End).

<u>A game changing phenomenon</u> would be the addition of a destination-creating business in Festival Square. This could be:

- An exceptional restaurant,
- A micro-brewery and new pub,
- Several arts and craft galleries,
- A unique combination bakery-café and/or deli, (e.g., The Big Apple pie bakery), or
- Some local speciality that is exceptionally well done (e.g., the best ever lake-caught fish 'n' chips).

The key here is that the drawing power will be directly related to the retailer's uniqueness. So the new niche businesses will (a) be better than the current "power-house" retailers and (b) draw from an expanded trade area.

This in turn could lead to overnight visitors.

6.3 Retail Realities

The current and near-term retail situation is far from ideal. So the first steps of creating a Downtown will be difficult for the previously stated reasons, namely:

- A small market,
- Low spending residents,
- Strong competition, and
- A short peak visitor season.

Any business opening in (Downtown) Wasaga Beach must be prepared for:

- Huge peak sales in summer and the essential requirement to manage cash flow over the shoulder and quiet months,
- A very slow off-peak business period based on the paucity of local residents,
- The need to create a business offer that either captures shoppers from local businesses or entices local (and new) residents to spend more, and
- Creating exceptional websites (Town and individual businesses) that will expand the trade area digitally to a global "footprint," and thus enable business to be conducted year-round and build financial stability.

This is certainly manageable, but it is a mid to longer-term game.

7.0 Retail Requirements

7.1 Retail Infrastructure

Shopping behaviour usually involves one of two types of buying trips or shopping requirements, namely:

a) A quick, easy visit to purchase a needed "refill" by local residents or visitors who can walk or cycle. Farther-out shoppers will need parking very close to their target destination.
b) A "shopping trip" to visit more than one store, café, an event, or a special occasion, or to enjoy a meal over longer times. Parking at a greater distance is tolerated.

Parking is critical. The Downtown revitalization solution must offer parking to local residents during the peak summer months. (Once a customer is lost it is very difficult and costly to get one back).

Note: care must be taken when planning parking structures. The advent of Autonomous Vehicles (self-driving) is likely within 5–10 years, so flexibility is essential.

7.2 Business Environment for Small Town Retail

The following is a list of physical enhancements that help shoppers spend more time and money. These create an environment and experience that is both welcoming and efficient. The best retail environment should have the following:

- Short blocks
- Two-sided retail
- Easy to jaywalk across
- Buildings of two floors; or one floor with set-back residential above
- Store fronts of 20–30 feet maximum
- Depths no more than 50–60 feet
- On-street, metered, short-term parking, linked to parking app
- Transportation stops
- Adjacent longer-term parking
- Interior ceilings at 14 feet plus
- Sidewalks wide enough to accommodate outside cafés or spill-out merchandise
- Street width: sidewalk, on-street parking, one lane of two way traffic, bicycle lanes on one side only
- Good lighting

Downtown Wasaga Beach: Retail and Retail-related Program

- Street poles with:
  a) Design themes, if appropriate
  b) Hanging flower baskets, well designed and maintained
  c) Fittings for banners for special events
  d) Wired for seasonal decoration lights (i.e., Christmas) both on poles and across the street
- Landscaped flower plantings with water and hydro system
- Unique sidewalks
- Awnings/weather protection on buildings

7.3 Potential Support Activities to Generate Pedestrians

Retail prospers well when there are other elements that help create a unique experience such as:

- Transportation hub, bus stops
- Bicycle parking/racks
- Farmer's/public market
- Arts and craft shows and sales
- Visitor information centre
- Notice boards
- Direction maps (digital)
- Special events space (only if well programmed)
- Etc., etc., etc.

7.4 Support Will Help Revitalization

A Business Improvement Area (BIA) could be formed at some later date. This type of organization of local business people and property owners allows them (with the support of the Town/municipality) to organize finances and programs to improve the physical environment, promote economic growth, and market the district. The Town is responsible for approving the budget, which is imposed by the local businesses. This type of organization would need a large enough membership to generate enough funds to do something significant.

7.5 Ideas from the Public Meetings were Great!

The following are suggestions based on feedback from the public meetings:

- Make a visit to the Beach "amazing" – a pier, create a yacht harbour, a special tower.
- Arts, crafts, and related are being established. Could this be a "Town of the Arts" with murals (e.g., Chemainus, BC), sculptures (e.g., Boulder, Colorado)?
- Create an "outdoor Town" with parks, cycling, trails, and special certifications for accomplishments. (Attract needed younger residents.)
- Create a year-round program:
  - a) Jazz, blues, country and western, speciality
  - b) Numerous beach festivals:
    - i. "Sandfest," best sand sculptures
    - ii. Fish
    - iii. Wildlife
  - c) Cooking festivals, e.g., Taste of Wasaga Beach
  - d) River sports, races
  - e) Special fairs

8.0 What Will be (Downtown) Wasaga Beach's Difference?

Creating a downtown by adding residents and then retail will be a good first step. But what will be needed is something that generates increased visiting by mid- and up-market people in the shoulder and off-season months. Whatever this "something" is, it must come from the residents of the Town and the character of the local region.

Examples are: the theatres in Stratford and Niagara-on-the-lake, the high-tech industry in Kitchener-Waterloo, Christmas year-round in Frankenmuth, Michigan, and discount outlet malls in Niagara Falls, USA.

Appendices

Appendix A – Wasaga Beach Sitewise Demographic Profile

Appendix B – Wasaga Beach Sitewise PRIZM5

DEVELOPMENT PROGRAM

C.1 DEVELOPMENT PARCELS

In order to quantify the development described by the DDMP, the team defined development 'parcels'. The shape and size of the parcels respond to existing property lines, existing and proposed streets, and the anticipated land uses and building format. These parcels do not necessarily represent the future/finalized development parcels (this will be determined through further detailed design and by market forces) but are useful in estimating and testing the development potential of the plan.

C.2 PARCEL CALCULATION ASSUMPTIONS CHART

* Note: Civic Buildings Not Included in Calculations

DOWNTOWN

										% Of Ground Floor Footprint											
		BLOCK								RETAIL					RESIDENTIAL AREA						
PROJECT TYPE	PLOT TYPE	BLOCK	BLOCK SIZE (sq.m)	HECTARES	E COVERAGE ASSUMPTI	BULIDING (S) FOOTPRINT (sq.m)	HEIGHT (# Floors inc. GROUND)	GFA (sq.m)	FAR	% RETAIL	RETAIL GFA (sq.m)	PARKING UNITS / sq.m	PARKING REQ.	GFA LEFT	RESIDENTIAL AREA (sq.m)	AVG UNIT SIZE (sq.m)	Gross Efficiency (%)	# UNITS	PARKING UNITS / UNIT	PARKING REQ.	GFA LEFT
Catalyst Project	Mixed Use - Civic / Ret. / Res.	A1	8,230	0.82	30%	2,469	4	9,876	1.20	150%	3,704	0.043	159	6,173	6,173	90	20%	55	1.25	44	0
Catalyst Project	Mixed Use - Ret. / Res.	A2	7,428	0.74	30%	2,228	4	8,914	1.20	90%	2,006	0.043	86	6,908	6,908	90	20%	61	1.25	49	0
Catalyst Project	Mixed Use - Ret. / Res.	A3	8,244	0.82	30%	2,473	4	9,893	1.20	90%	2,226	0.043	96	7,667	7,667	90	20%	68	1.25	55	0
Catalyst Project	Mixed Use - Ret. / Res.	A4	4,622	0.46	30%	1,387	4	5,546	1.20	90%	1,248	0.043	54	4,298	4,298	90	20%	38	1.25	31	0
																90					
Resultant Development	Civic (Possible Sports Hub Site)	A5	25,439	2.54		0		0	0.00		0	0.043	0	0	0	90	20%	0	1.25	0	0
Resultant Development	Mixed Use - Ret. / Res.	A6	9,733	0.97	30%	2,920	6	17,519	1.80	90%	2,628	0.043	113	14,891	14,891	90	20%	132	1.25	106	0
Resultant Development	Mixed Use - Ret. / Res.	A7	6,500	0.65	30%	1,950	4	7,800	1.20	90%	1,755	0.043	75	6,045	6,045	90	20%	54	1.25	43	0
Resultant Development	Mixed Use - Ret. / Res.	A8	4,577	0.46	30%	1,373	4	5,492	1.20	0%	0	0.043	0	5,492	5,492	90	20%	49	1.25	39	0
Resultant Development	Mixed Use - Ret. / Res.	A9	1,265	0.13	30%	380	4	1,518	1.20	90%	342	0.043	15	1,176	1,176	90	20%	10	1.25	8	0
Resultant Development	Mixed Use - Ret. / Res.	A10	5,935	0.59	30%	1,781	4	7,122	1.20	0%	0	0.043	0	7,122	7,122	90	20%	63	1.25	51	0
Resultant Development	Mixed Use - Ret. / Res.	A11	3,376	0.34	30%	1,013	4	4,051	1.20	0%	0	0.043	0	4,051	4,051	90	20%	36	1.25	29	0
Resultant Development	Mixed Use - Ret. / Res.	A12	12,835	1.28	30%	3,851	4	15,402	1.20	0%	0	0.043	0	15,402	15,402	90	20%	137	1.25	110	0
Resultant Development	Mixed Use - Ret. / Res.	A13	1,978	0.20	50%	989	4	3,956	2.00	0%	0	0.043	0	3,956	3,956	90	20%	35	1.25	28	0
TOTAL			100,162	10		22,813		97,090			13,907		598		83,182			739		592	

PUBLC SPACE IMPROVEMENTS

		GFA (sq.m)	
Catalyst Project	Public Square	4,422	
Catalyst Project	Traffic Control Roundabouts	5,255	
Catalyst Project	Streetscape Improvements	35,504	Main / Beck
Catalyst Project	Gateways	3,268	
Catalyst Project	Bridge Improvements	4,528	
		52,977	

BEACH

										% Of Ground Floor Footprint											
		BLOCK								RETAIL					RESIDENTIAL AREA						
PROJECT TYPE	PLOT TYPE	BLOCK	BLOCK SIZE (sq.m)	HECTARES	DEV. ASSUMPTION	BULIDING (S) FOOTPRINT (sq.m)	HEIGHT (# Floors inc. GROUND)	GFA (sq.m)	FAR	% RETAIL	RETAIL GFA (sq.m)	PARKING UNITS / sq.m	PARKING REQ.	GFA LEFT	RESIDENTIAL GFA (sq.m)	AVG UNIT SIZE (sq.m)	Gross Efficiency (%)	# UNITS	PARKING UNITS / UNIT	PARKING REQ.	GFA LEFT
Catalyst Project	Mixed Use - Ent. / Ret. / Res.	B1	3,651	0.37	80%	2,921	4.5	13,144	3.60	75%	2,191	0.043	94	10,953	10,953	65	20%	135	1.25	108	0
Catalyst Project	Mixed Use - Ent. / Ret. / Res.	B2	2,365	0.24	80%	1,892	4.5	8,514	3.60	75%	1,419	0.043	61	7,095	7,095	65	20%	87	1.25	70	0
Catalyst Project	Mixed Use - Ent. / Ret. / Hotel	B3	6,025	0.60	70%	4,218	4.5	18,979	3.15	80%	3,374	0.043	145	15,605	15,605	80	20%	156	1.25	125	0
Catalyst Project	Residential	B4	6,703	0.67	35%	2,346	2.5	5,865	0.88	0%	0	0.043	0	5,865	5,865	100	20%	47	1.25	38	0
Catalyst Project	Entertainment	B5	25,326	2.53	10%	2,533	1.5	3,799	0.15	100%	2,533	0.043	109	1,266	0				1.25	0	1,266
Catalyst Project	Entertainment	B6	17,516	1.75	10%	1,752	1.5	2,627	0.15	100%	1,752	0.043	75	876	0				1.25	0	876
Resultant Development	Mixed Use - Ret. / Res.	B7	5,050	0.51	35%	1,768	4	7,070	1.40	0%	0	0.043	0	7,070	7,070	65	20%	87	1.25	70	0
Resultant Development	Mixed Use - Ret. / Res.	B8	10,556	1.06	35%	3,695	4	14,778	1.40	0%	0	0.043	0	14,778	14,778	65	20%	182	1.25	146	0
Resultant Development	Mixed Use - Ret. / Res.	B9	8,734	0.87	35%	3,057	4	12,228	1.40	0%	0	0.043	0	12,228	12,228	65	20%	150	1.25	120	0
Resultant Development	Mixed Use - Ret. / Res.	B10	9,067	0.91	40%	3,627	2.5	9,067	1.00	0%	0	0.043	0	9,067	9,067	65	20%	112	1.25	89	0
Peripheral	Mixed Use	B11	911	0.09	30%	273	3	820	0.90	80%	219	0.043	9	601	0	65	20%	0	1.25	0	601
Peripheral	Mixed Use	B12	1,850	0.19	30%	555	3	1,665	0.90	80%	444	0.043	19	1,221	0	65	20%	0	1.25	0	1,221
Peripheral	Mixed Use	B13	16,804	1.68	20%	3,361	5	16,804	1.00	40%	1,344	0.043	58	15,460	15,460	65	20%	190	1.25	152	0
Peripheral	Residential	B15	15,433	1.54	20%	3,087	2.5	7,717	0.50	0%	0	0.043	0	7,717	7,717	65	20%	95	1.25	76	0
TOTAL			129,991	13		35,082		123,076			13,275		571		105,837			1,241		993	

PUBLC SPACE IMPROVEMENTS

		GFA (sq.m)	
Catalyst Project	Beach Square	9,568	
Catalyst Project	Beach Boardwalk	8,731	
Catalyst Project	Traffic Control Roundabouts	2,805	
Catalyst Project	Streetscape Improvements	18,216	Mosely
Catalyst Project	Gateways	400	
		39,720	

Parking Assumptions

Retail	0.043 / sq.m
Entertainment	0.05 / sq.m
Residential	1.25 / unit
Hotel	

DOWNTOWN

Total sq.m	100,162	Total Retail	13,907
Total Hecatares	10.02	Total Residential	83,182
Total Development Footprint	22,813	Total Residential Units	739
Total GFA	97,090		
Average FAR	1.15		

BEACH

Total sq.m	129,991	Total Retail	13,275
Total Hecatares	13	Total Residential	105,837
Total Development Footprint	35,082	Total Residential Units	1,241
Total GFA	123,076		
Average FAR	1.43		

C.3 TOWN OWNERSHIP OVERVIEW

TOWN OWNED LAND PARCELS

> 75% OF DEVELOPMENT PARCEL TOWN OWNED LAND

< 75% OF DEVELOPMENT PARCEL TOWN OWNED LAND