Appendix 1

Mississauga Marina Business Case Study

TOURISTICS SHOREPLAN The Planning Partnership

December 2015

EXECUTIVE SUMMARY

Study Objectives

TOURIS**TICS**, Shoreplan Engineering Limited and the Planning Partnership were retained by the City of Mississauga to undertake a business case study to determine the viability of operating a full service marina at 1 Port Street East within the context of mixed-use development, focusing on but not limited to, the water lot and the eastern portion of the site.

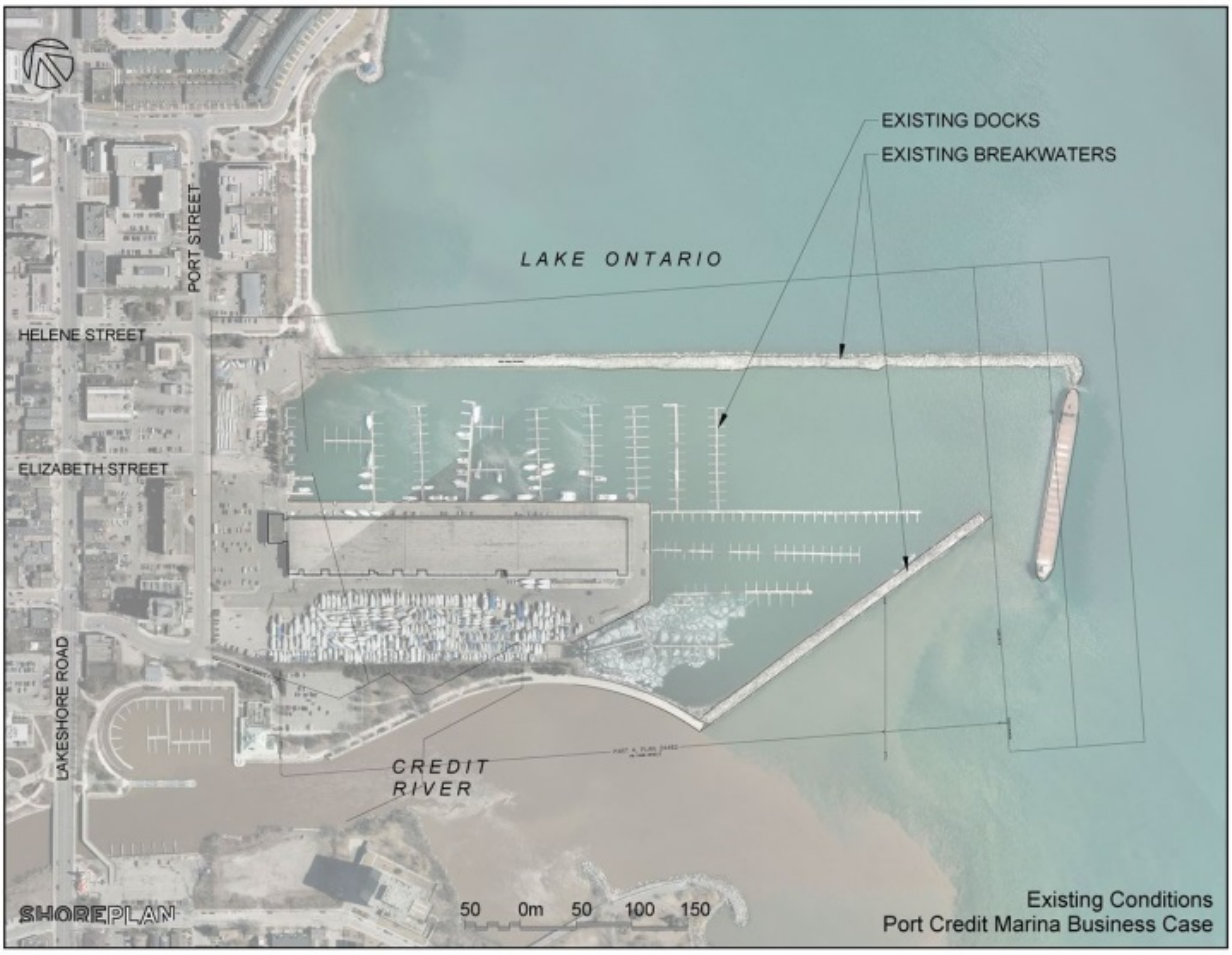
The business case addresses the scope, nature, location, operation and ownership options regarding a future marina on the 1 Port Street East site. The business case study provides input to the master plan, and a future land use policy framework and implementation plan for the re-development and operation of a future marina on the site. More specifically the business case study will identify those components necessary for a sustainable marina including capital investment and on-going operating costs while addressing the following objectives:

- Develop a recommended plan for the development and operation of a future marina on the site;
- Establish a framework for a sustainable marina having considered the social/cultural, environmental and economic factors;
- Identify the appropriate uses/services that consider the existing and/or future related uses that support a sustainable marina, contribute to the site's viability and integrated function as part of a "complete" community (live, work, make and play) in conjunction with the neighbouring Port Credit businesses and services, contribute to the concept of a "Marina Marketplace" destination and provide the opportunity to increase or at least maintain the current level of employment on the site;
- Provide a functional marina layout integrated with public access at and to the waterfront and the future proposed mixed use on the site;
- Establish a marina model and layout that accommodates appropriate public access to the waterfront, having regard for a continuous public Waterfront Trail, public open space and parklands and green connections to the adjacent waterfront park system; and,
- Provide an implementation strategy for the marina development and operations that includes a preferred operational model that will integrate with the long term re-development of the site.

1 Port Street East

The One Port Street East site has a total area of approximately 27.6 hectares (67.3 acres), including a land area of 7.4 hectares (18.2 acres) and a water lot comprising 20.2 hectares (49 acres). The site has a frontage of approximately 295 metres (970 feet) and a depth of approximately 400 metres (1,300 feet) on land. The total depth on land and water, measured from the north property limit at Port Street to the south end of the water lot, is approximately 800 metres or 2,650 feet. Measured on land at the dockside walls the site has a shoreline of approximately 700 metres (2,300 feet). The City of Mississauga owns the Elizabeth Street right-of-way extending through the site along with the land adjoining the site to the immediate west on the eastside of the Credit River which includes J.J. Plaus Park and the Credit Village Marina.

Centre City Capital Limited a private company operates the Port Credit Harbour Marina (PCHM) through a head lease with Canada Land Company the owners of the property. Centre City Capital Limited currently sub-leases space to ten businesses complimentary to marine use including a complete marine repair service, chandlery, canvas works, sign works, and yacht brokers/boats sales.



1 Port Street East Site

Port Credit Harbour Marina is one of the largest privately operated full service marinas on the Greater Toronto Area's (GTA) Lake Ontario shoreline. The depth of water in the marina basin (minimum 18 feet), is one of the deepest on the north shore. The marina caters to seasonal and transient boaters, charter fishing boats, and liveaboards.

Background

Boating Facilities in Mississauga, Northern North America and Northern Europe

As background examples, a number of public, private and public/private marinas within northern North America and Northern Europe were analyzed. Particular attention was paid to marina facilities that were situated on developed urban waterfront (e.g. Kingston, Charlottetown, Boston, and Chicago, in northern North America; and Helsinki, Finland, Gothenburg, Sweden, Oslo, Norway, Aalborg, Denmark, and Kuhlungsborn, Germany in northern Europe). The following table shows a comparison of these facilities. The marinas appear to be designed to service the market needs of the area. They are clearly subject to the same winter conditions experienced on Lake Ontario. Some are dominantly seasonal serving the local market while others are dominantly transient focusing on attracting boating tourists into the area. All provide basic services, including washrooms, showers, fuel and pump out, and restaurants at or near the marina. A number of facilities, but not all, offer full boat services shops, including engine repairs.

Length of Slips	Northern North America	Mississauga	Port Credit Harbour Marina
Less than 30 feet	29.5%	49.7%	75.8%
30 feet to less than 36 feet	30.4%	20.9	13.4
36 feet to less than 46 feet	29.8%	23.1	10.8
46 feet and over	10.3%	6.3	
Transient slips as a percentage of total slips	6.8%	4.1	0
Fuel Dock	84.2%	25.0%	100%
Launch Ramp	73.7%	75.0%	100%
Marine Supplies (Chandlery)	89.5%	25.0%	100%
Own rather than rent haulout equipment	78.9%	50.0%	100%
Some Repairs	63.2%	25.0%	100%
On-site Food Service	73.7%	75.0%	Restaurant space vacant
Laundry Facilities	78.9%	100%	100%
Percentage of Docks with 30 amp power	47.2%	84.9%	90.6$
Percentage of Docks with 50 amp power	43.8%	10.1%	9.4%
Pump out	94.7%	75.0%	100%
Boat/Motor Sales	36.8%	25.0%	100%
Parking Spaces/Slip	0.56	1.3	1.8
Dryland Summer Storage Space/Slip	70.5 sq. metres	NA	98.6 sq. metres
Percentage of Seasonal Boats Stored on-site in Winter	59.1%	80.2%	79.1%
Percentage of Marinas with Charter Fishing/Tour/Water Taxi Boats	57.9%	25.0%	100%

Development of Alternative Concepts

The City of Mississauga generated three conceptual marina options referred to as “Possibilities” 1, 2 and 3 which formed the basis of the evaluation of a preferred alternative which would lead to a viable and sustainable marina on the 1 Port Street East site.

- Marina “Possibility” 1 – Marina buildings and outdoor boat storage are on east breakwater, slips are attached to east breakwater.

- Marina “Possibility” 2 – Marina buildings are at the northeast corner of the site and the outdoor boat storage is on the east breakwater, slips are attached to east breakwater.

- Marina “Possibility” 3 – Marina buildings are at the northeast corner of the site and outdoor boat storage is provided in-water or at an alternative site, slips are attached to west wharf.

The marina at 1 Port Street East has been a primary focus throughout the Inspiration Port Credit process culminating in the following vision statement for the site:

Build a vibrant waterfront community and destination at this unique site with a “Marina Marketplace” – extend the urban waterfront village fabric linking the marine and cultural histories together at the marina, and draw people to the water’s edge to live, work and play.

Throughout the marina business case study process the focus was on developing alternative concepts which would retain the current marine related jobs on-site and possibly expand upon them; meet the needs of current and future seasonal and transient boaters; and be financially viable while operating within a mixed use context.

On-site Facilities and Services for the Alternative Concepts

Based on a review of the on-site facilities and services provided at other marinas operating within a mixed-use context on Lake Ontario, in Northern North America and Northern Europe and the in-put

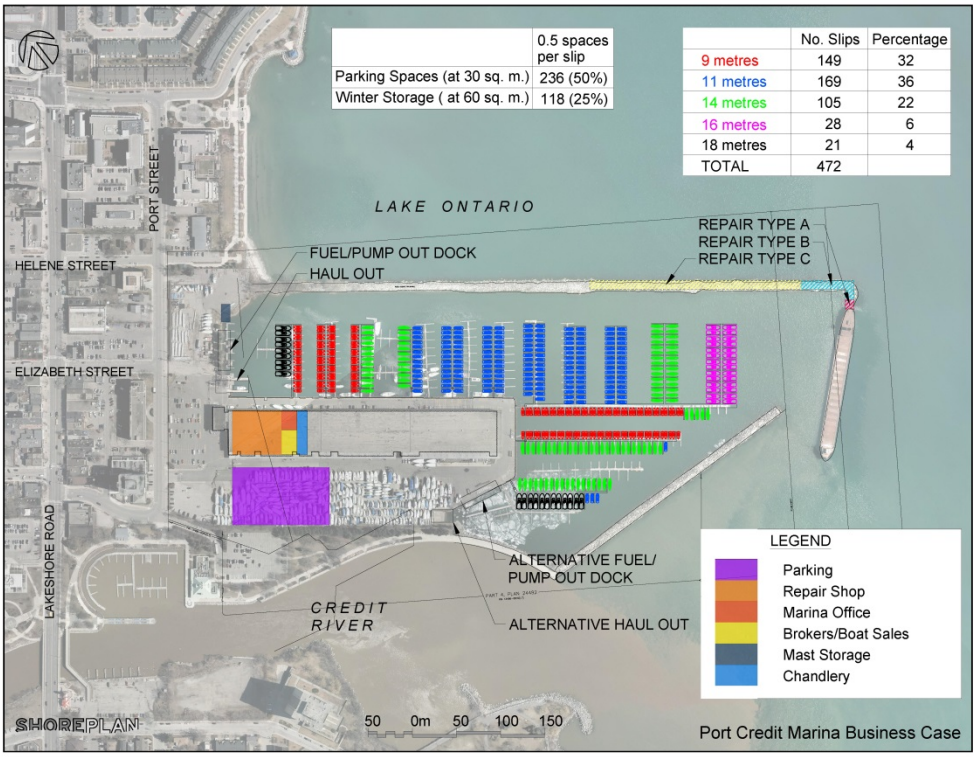
provided through contact with each of the current PCHM tenants, charter fishing boat operators, and boaters and residents through an on-line survey on the City of Mississauga's web-site a number of components and spatial areas were considered in developing the alternative concepts for the 1 Port Street East site.

Alternative Concepts

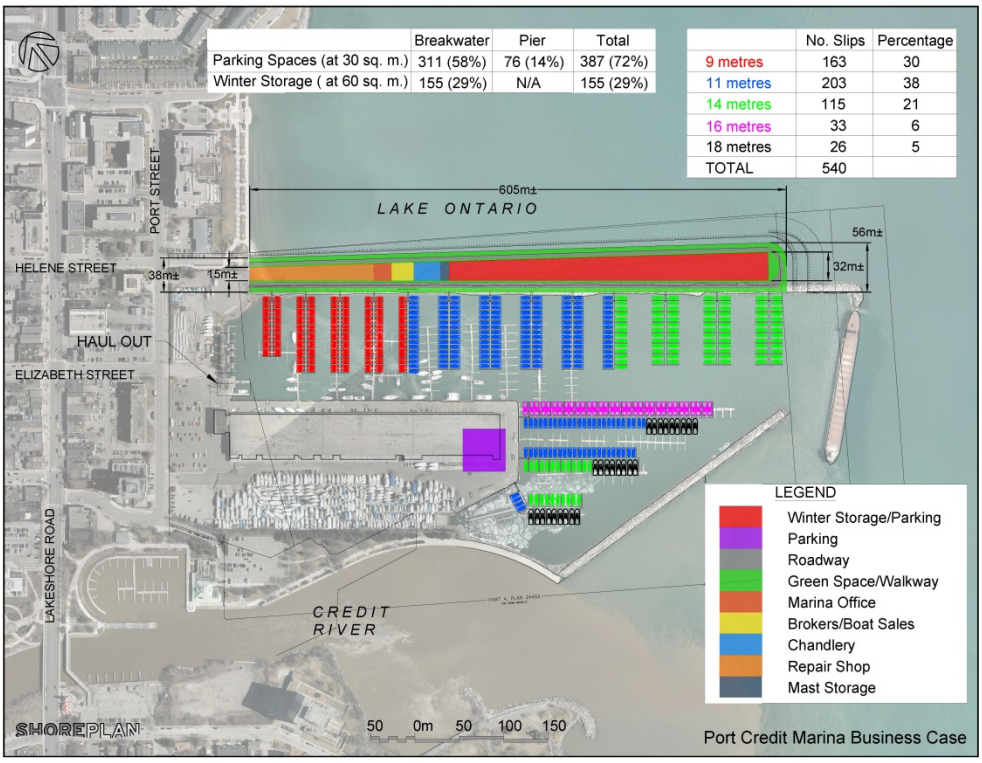
A number of alternative concepts for a marina development within the existing basin have been developed. The concepts started with the three "possibility" options developed by the City of Mississauga.

These options were first modified and refined to create alternative concepts that accommodated both recreational craft and tour boats. After further investigation, cruise ships/tour boats and water taxis were dropped from further consideration and the alternative concepts were further refined to create four initial alternative concepts identified as Alternative Concepts 1 to 4. These initial alternative concepts were reviewed with City staff and subsequently Alternative Concept 1 was refined to create Alternative Concept 1a and new alternative concepts 5 to 8 were developed and assessed. Alternative Concepts 5 and 8 were further refined and are presented as Alternative Concepts 5a and 8a. In total eleven alternative concepts were developed, three exclusively tied to the West Wharf (as in the current operation) and eight involving use of the East Breakwater and a portion of the West Wharf. The following two Figures provide an example of both.

The critical differences between the first set of alternative concepts, 1 to 4 and the second set, 1a and 5 to 8, is the reduction of fill quantity along the east breakwater, the reduction or elimination of the winter storage at this site and the reduction or elimination of repair capabilities at this location.



Potential West Wharf Alternative Concept



Potential East Breakwater Alternative Concept

Seasonal and Transient Boater Demand

Based on the growth in size and number of boats and boaters within the market area of the proposed 1 Port Street East marina, projected use levels were derived for each of the eleven potential alternative concepts.

Each of the eleven alternative concepts includes seasonal and transient slips and a mix of 9, 11, 14, 16 and 18 metre long slips roughly proportional to the mix of boats within the market area expected to use the marina. (i.e. 30%, 9 metres; 40%, 11 metres; 20%, 14 metres; 5% 16 metres; and 5%, 18 metres). The number of slips in each size category varies slightly due to the design consideration required for the marina basin in each concept.

Demand for Seasonal Slips

Demand for seasonal slips will come from existing marina slip holders, trade up from existing marinas as this will be the newest full-service marina in the market area with much sought after 11 to 18 metre slips, Charter Fishing Operators, and latent demand existing because of the short-fall of seasonal slips within the market area of the proposed marina site. A breakdown of the size of slips likely to be occupied at the marina under the eleven alternative concepts is provided for the first 10 years of operation. This breakdown reflects the projected size mix of boats expected within the market area of the proposed marina.

This projection is premised on the fact that the seasonal slips at Credit Village Marina, Lakefront Promenade Marina and Port Credit Yacht Club are 98.4 percent occupied, exceeding maximum practical capacity of 95 percent, and at least 95 percent of the existing seasonal slips holders will wish to keep their boats in the re-developed Port Credit Harbour Marina. Based on industry averages it is assumed that 3 percent of the 1,015 boaters at area marinas will be interested in trading up or changing marinas.

All 15 of the Charter Fishing Operators indicated they would return to the re-developed marina. Latent or unsatisfied demand will account for the remaining source of users at the marina.

Summary of Seasonal Slip Demand

Based on the level of demand in the marketplace it is projected that 153 nine metre slips could be occupied in Year 1, meaning all 11 alternative concepts are projected to fully occupy their 9 metre slips in Year 1. 191 eleven metre slips could be occupied in Year 1, as a result all 11 concepts are also projected to fully occupy their available 11 metre slips in Year 1. The expansion to 200 eleven metre slips in Phase 2 will require three years to reach full occupancy. It is further projected that 95 fourteen metre slips will be fully occupied in Year 1. Alternative Concept 1 with 98, Alternative Concept 2 with 111, and Alternative Concepts 3 and 4 with 108 fourteen metre slips will not be fully occupied in this category until Year 6, Year 8, and Year 8 respectively. The projections with the 16 metre slips indicate that 23 will be occupied in Year 1. It is projected that the 26 sixteen metre slips with Alternative Concept 1 will be fully occupied in Year 2, and the 31 with Alternative Concepts 2, 3 and 4 by Year 4. Demand for 18 metre slips indicates a maximum of 17 will be occupied in Year 1 and 22 in Year 2. The 24 eighteen metre slips with Alternative Concepts 2, 3, and 4, will be at 100 percent occupancy by Year 4, and the 26 in Phase 2 of Alternative Concept 6 by Year 8.

Demand for Transient Slips

The boating season in the Mississauga area is approximately 138 days (beginning in the latter half of May and concluding at the end of September). Historically, holidays and weekends, in particular special event weekends are the most important source of boater demand for transient slips. Within Port Credit Harbour marina's 138 day boating season there are approximately 16 holiday weekend days, 14 normal weekend days, and 92 normal week days (i.e. Monday through Friday). Port Credit currently plays host to at least five weekend events that would be of interest to transient boaters (i.e. Port Credit In-water Boat Shows, Mississauga Waterfront Festival, Port Credit Outdoor Art Show, Port Credit Busker Festival, Southside Shuffle Blues and Jazz Festival) that contribute another 10 weekend days to the boating season. It is possible and desirable to organize three new special event weekends around the new marina and the other marine-oriented activities that may be part of the desired further development of the 1 Port Street East site. All of the current events take place on-site or in Memorial Park, a short walk from the site. The existing and proposed special events would therefore attract additional transient boaters and contribute to the vitality of the local businesses at the same time.

Within the eleven proposed alternative concepts for the development of the Port Credit Harbour marina, it is recommended that Alternative Concepts 3 and 4 have 33 dedicated transient slips, and the other concepts 30 dedicated transient slips. In arriving at the projections for the number of transient boaters attracted to the marina it is assumed that 18 seasonal slips will be available at any one time for transient boater use in Alternative Concepts 1, 1a, 5, 6, 7, 8, 8a and 5a; 20 with Alternative Concept 2, and 22 with Alternative Concepts 3, and 4. This follows the policy among many marinas to allow transient use of seasonal slips when those slips are known to be vacant for a minimum of 24 hours and with the permission of the seasonal lessee.

Potential Operational Approaches

Public Marina Operational Model

In order for this option to work the City would have to either own the land and waterlot or lease the land and waterlot. The City would develop the marina with 100 percent of the cost carried by the City. The City could then operate the marina themselves, or contract the marina out to a private operator (as the case with the recently developed Trent Port Marina in Quinte West). The advantage is that the City receives 100 percent of the profit and has complete control over how the marina is operated. Municipalities can usually borrow money at a better rate than a private developer. Economic spin-off would accrue to the City as the marina staff would be the first point of contact for visitors and they could be encouraged to stay longer and partake in activities away from the marina itself. The major

disadvantages would be that the City would be responsible for financing the development and 100 percent of any losses would be the City's responsibility.

Private Marina Operational Model

A private developer would either own the land and waterlot or lease the the land and waterlot. The private developer would build the marina with 100 percent of the cost carried by the private developer. The advantage of this approach would be that there would be a marina on the City's waterfront with no financing cost to the City and 100 percent of any losses would be the private developer's responsibility. The disadvantage would be that the City would have little control over how the marina was operated and maintained, and the private operator would be more interested in ensuring that visitor expenditures remained within the marina property and not in the downtown area.

Public/Private Marina Operational Model

For this option to work the City would have to either own the land and waterlot (as the case with Toronto Island Marina and Ashbridge's Bay Marina), or lease the land and waterlot and then turn around and arrange a lease with a private operator (as is the case of Port Dalhousie Pier Marina). The City would likely have to bear a portion of the construction cost. The advantage would be that the City would not be responsible for the total capital cost of development, the City would not be responsible for the operating costs and 100 percent of any losses would be the private developer's responsibility. The disadvantage of this approach is that the City would receive a smaller portion of any profit and the private partner could walk away if the losses grew too large. In addition, private operators tend to defer major maintenance tasks to the end of the lease agreement which may mean the City would likely incur some of the maintenance costs. While public/private partnerships or P3's are a possibility, we are unaware of any marina constructed in Ontario with this approach.

Financial Projections

Detailed financial projections of revenues and disbursements are provided for the first ten operating years of the eleven alternative concepts assuming operation as a publically owned and operated marina and a privately owned and operated marina under a series of scenarios which include on-site winter storage only; on and off-site winter storage; no tenants (i.e. repair service, chandlery, boat brokers/boat sales); and reduced repair service space with reduced on-site winter storage.

The difference between the publically operated marina and privately operated marina is reflected in the disbursements, as the revenues will remain the same.

Capital Cost Financing

Public Sector Operator

If the City is to build and operate the marina it is expected that the entire capital cost required for construction of the marina and its land-based amenities will be financed through municipal debentures. Although no federal or provincial infrastructure grants were identified that apply to marinas, it is recommended that the Municipality continue an approach with the federal and provincial governments regarding the possibility of obtaining some form of infrastructure grants.

Since the major facilities in the marina (i.e. marina building(s), docks, and breakwaters) have an expected life that exceeds 25 years it will be possible to obtain municipal debentures with either a 20 or 25 year amortization period to cover the projected total capital cost of constructing the marina. A 25 year amortization period with an interest rate of 3.34 percent per annum has been used for each of the alternative concepts.

Private Sector Operator

A private developer building and operating the marina would be faced with higher financing costs than the City. Although the revenue generated by the operating marina would be the same, a private operator would face higher annual disbursements in the form of higher insurance cost, property taxes, property rent and assuming off-site winter storage was included the cost of leasing the space for the winter months. A 25 year amortization period with an interest rate of 5.5 percent per annum has been used for each of the alternative concepts.

Without another revenue source to off-set the debt service, we do not believe that any of the marina alternative concepts included in this analysis would be attractive to a private developer/operator.

Economic Impacts

While we have considered only those impacts associated with the people using the marina and marina building during the operating period; visitors attracted to the waterfront as a result of "boater activity" can also be an important source of revenue and economic spinoffs.

The re-developed Port Credit harbour Marina will be an income producing asset, with the potential to generate thousands of dollars in annual revenue to the benefit of the City of Mississauga. It will increase public access to the waterfront; enhance the physical appearance of the City's waterfront; raise real estate property values on the waterfront and in nearby neighbourhoods; act as a catalyst for new commercial and residential development, and in doing so increase the tax base; and create an improved aquatic habitat

The economic impacts calculated for each of the eleven alternative concepts are measured in terms of direct, indirect and induced Gross Domestic Product (GDP) expenditures; labour income; direct, indirect and induced jobs; and federal, provincial and municipal tax revenues.

Economic Impacts from Construction of Marina

Economic impacts were derived for each of the years the re-developed marina will be under construction. The industry sectors impacted the most by the construction of the marina will be construction; finance, insurance, rental & leasing; professional, scientific and technical services; manufacturing; retail; and wholesale trade.

Economic Impacts Due to Operation of Marina

Economic impacts were derived for each of the first ten years of operation of the marina for each of the eleven alternative concepts. The expenditures used to determine the economic impact resulting from the operation of the marina come from four sources.

- Total seasonal boater, transient boater, and non-boater resident and visitor expenditures at the marina;
- Total revenues from tenant operations (i.e. chandlery, repair service, yacht brokers and boat sales, and charter fishing boat operators);
- Total seasonal boater expenditures away from the marina but within the City of Mississauga; and,
- Total transient boater expenditures away from the marina but within the City of Mississauga.

The industry sectors in Mississauga impacted the most by the operation of the marina will be retail trade; culture, entertainment and recreation; food & beverage services; finance, insurance, rental & leasing; fuel and transportation; wholesale trade, and manufacturing.

Implementation Plan

Fill Placement and Other Improvements

Several of the alternative concepts presented include the creation of additional land along the east side of the east breakwater. Lakefill projects would be subject to a number of approvals and specific filling procedures. The filling practices are outlined in the Ontario Fill Quality Guide and the Good Management Practices for Shore-infilling in Ontario (MOE/MNR 2011).

Given the exposed nature of the site and to meet the guidelines set out in the guide, the potential filling operations are expected to consist of creating a berm along the outside of the fill area, protecting that berm with appropriate coastal protection and then filling the interior "cavity" with suitable fill material. The exterior berm would need to be constructed of material meeting the "unconfined fill" standard and the material used to fill the cavity between the new berm and the existing east breakwater could be filled with "unconfined fill".

Phasing and Implementation

The alternative concepts allow for phased in implementation. The existing marina operation can continue while the approval process is in progress, while improvements to the outer part of the marina are taking place, and while lake filling, if it becomes a part of the project, is undertaken. The removal of the existing docks and the installation of the new docks, can be achieved between boating seasons.

Parking Strategy and Planning Policy Framework

The concept of a new marina in the Basin at One Port Street is an excellent opportunity to provide needed marina facilities within the City and to continue the important connection between the historic land and water-based functions of Port Credit. The new marina facility at 1 Port Street East is expected to generate economic opportunities for the City, be highly integrated with both the redevelopment of the Pier, and with the rest of the Port Credit Area and to be considered a significant community benefit for the resident of Mississauga.

The Marina Parking Strategy

Parking for marina facilities is an important consideration at this stage of the planning process. Parking issues in an evolving urban, mixed use area are complex. Given that the marina component of the 1 Port Street East is expected to occur in a much more urban and mixed-use context, in proximity to places to live, places to work, places to shop and major transit facilities, there are enhanced opportunities to consider in an alternative approach to parking, including a reduced parking standard, and strategies for 'shared' parking within the broader Port Credit Area.

As such, the majority of the required marina parking for 1 Port Street East should be accommodated as part of the recommended 'shared' parking strategy promoted in the *Port Credit Parking Strategy - 2014.* The recommended 'shared' parking strategy will enable the appropriate accommodation of parking demands related to an evolving, mixed-use, urban district that will be well served by transit. The 'shared' parking supply will provide a common pool of parking that can be utilized by different users at different times of the day, the week or the year.

Funding Opportunities to Achieve a Public Marina

The achievement of a new marina facility at 1 Port Street East is a function of establishing the City's objectives for its evolution and development, and working with the current landowner, who can assist the City in delivering the facility. A new marina may be considered to be part of the public realm, but the City will need to creatively use its legislative authority and negotiating skills to secure the Basin and associated Shore land that are necessary components of the marina development. In this unique circumstance, the marina and its ongoing improvement and maintenance is fundamental to the functional

'quality of place', and the associated and resultant 'quality of life' within the Port Credit Area. The marina may also provide significant marketing and value-added opportunities for the adjacent development of the wharf.

Planning Policy Framework

The entire Port Credit Area is subject to numerous planning policies in the Official Plan and within the Port Credit Local Area Plan which requires that a master plan be completed for the site.

- In terms of moving forward with the planning for the entire 1 Port Street East Site, it is recommended that the City consider the site comprehensively through the required Master Plan, but that the breakwater, basin and shore lands associated with the proposed marina facility use become a separate, but related designation within the Port Credit Local Area Plan. The new designation will be generally within the framework of the broader Greenlands designation and the Desirable Urban Form policies of the Official Plan, and the specific policies of the Port Credit Local Area Plan. This designation shall provide more specific policy direction that articulates permitted uses, height and built form, potential adverse affects, parking facilities, and funding opportunities, while recognizing the existing policy context.

  Overall, the City will ensure to the greatest extent possible that all funds generated through the Planning Act for site plan, parking, parkland dedication and bonusing, and the policy framework of the Development Charges By-law, shall be applied within the 1 Port Street East Site, including, where appropriate, the marina facility and its associated facilities.

Assessment of Alternative Concepts

The eleven alternative concepts were analyzed assuming a publically owned and operated marina and a privately owned and operated marina under a series of scenarios which included on-site winter storage only, on and off-site winter storage, no tenants (i.e. repair service, chandlery, boat brokers/boat sales), and reduced repair service space with reduced on-site winter storage.

The following eleven factors were considered in assessing each of the alternative concepts:

- total direct expenditures generated on and off-site
- number of new jobs created on and off-site
- disruption of on-going operation
- net profit generated by end of Year 10
- capital cost per slip
- full service marina facilities
- views and vistas
- enhancement of public waterfront
- on-site winter boat storage
- approvability by external agencies
- compatibility with planned development

Each of the eleven alternative concepts were assessed on each factor according to a rating of most preferred, intermediate or neutrally preferred, and not preferred. All factors were considered equal when applying them to the alternative concepts.

Based on the assessment of these factors, Alternative Concepts 8 and 8a were most preferred, Alternative Concepts 1a, 5, 6, and 7 were not preferred, and Alternative Concepts 1, 2, 3, 4, and 5a were intermediately preferred.

Preferred Alternative Concepts for Marina at 1 Port Street East Site

	Total Capital Cost	Total Direct Expenditures (Economic Impact)	Number of Jobs	Full Service Marina Facilities	Net Profit at end of Year 10	Capital Cost per Slip	Approvability (External Agencies)	Disruption of On-going Operation	Views and Vistas	Compatibility with Planned Development	Enhancement of Public Waterfront Access	On-Site Winter Boat Storage	Score	Preferred
Concept 1	$24,743,570	$158,591,690	153		$6,571,920	$37,000						118	7 1 3	
Concept 2	$49,806,500	$162,365,860	158		($7,009,690)	$74,000						155	7 1 3	
Concept 3	$49,769,500	$164,599,280	160		($6,190,360)	$68,000						155	7 1 3	
Concept 4	$50,091,200	$167,730,780	163		($3,657,790)	$68,000						220	6 2 3	
Concept 1a	$20,280,380	$116,425,180	115		$6,463,330	$31,000						0	5 0 6	
Concept 5	$22,423,420	$116,624,010	116		$5,276,040	$34,000						0	3 3 5	
Concept 5a	$24,499,510	$116,624,010	116		$4,038,140	$38,000						0	5 2 4	
Concept 6	$21,898,300	$114,122,190	116		$4,669,670	$33,000						0	4 2 5	
Concept 7	$22,323,540	$117,536,090	117		$5,730,520	$33,000						0	5 0 6	
Concept 8	$31,671,900	$144,233,420	142		$5,247,200	$48,000						100	1 10 0	
Concept 8a	$33,748,000	$144,233,420	142		$4,009,300	$50,000						100	3 8 0	

	163	Most Preferred
	142	Intermediate Preferred
	115	Not Preferred

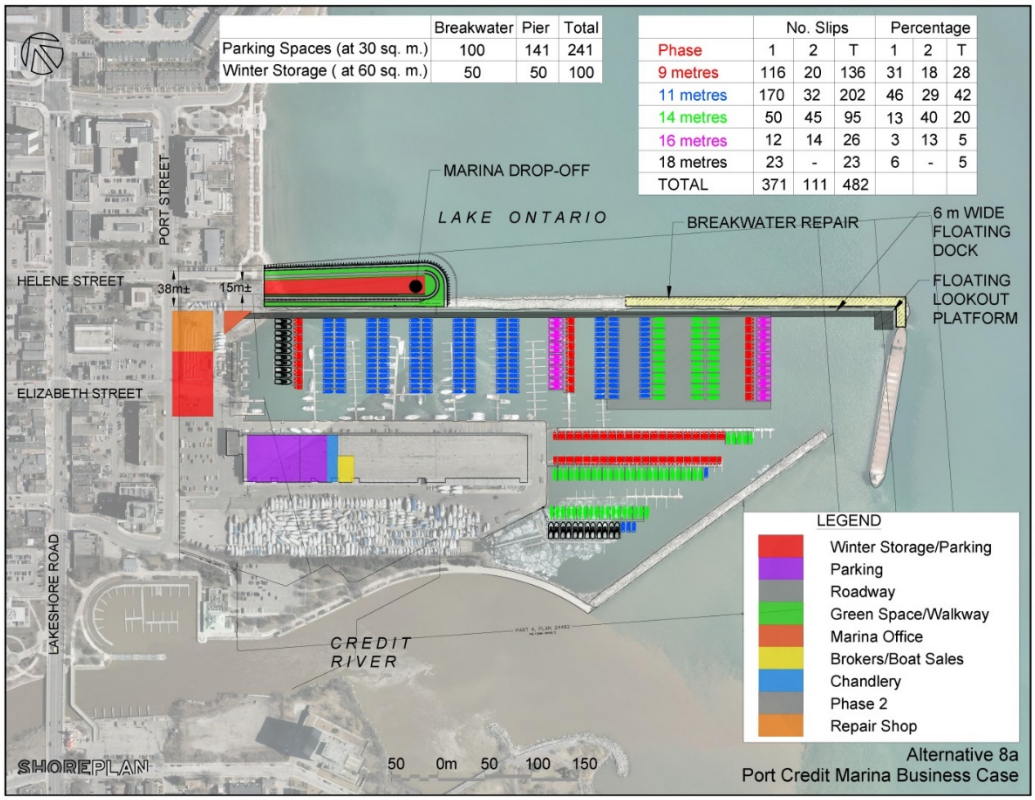
Preferred Alternative Concepts

The fundamental difference between Alternative Concept 8a (rated as preferred) and 5a (rated as intermediate preferred) is the exclusion of the reduced repair service and requisite winter storage area in the latter. One of the important factors in selecting the alternative concepts was the provision of public access along the east breakwater. Alternative Concepts 2, 3, and 4 provide that, but at a much higher overall cost and cost per slip to a point that makes the marina investment less attractive. The height of the expanded east breakwater with Alternative Concepts 2, 3, and 4 creates issues with views and vistas that are not present with Alternative Concept 5a. As as result, Alternative Concept 5a was given a higher preference rating than 2, 3, or 4.

Alternative Concept 8a

In Alternative Concept 8a most of the docks are connected to a wide floating dock that parallels the east breakwater. The rest of the docks are connected to the south side of the pier in a configuration similar to the present marina operations. The proposed floating dock along the marina basin side of the east breakwater is 6 metres wide and public access is provided to it. The floating dock is lengthened beyond the boat slips and a floating lookout platform is provided at the south end near the Ridgetown. The repair shop is reduced to approximately 85 percent of the size of the existing shop.

The parking is provided on the expanded breakwater and the pier to accommodate the two dock locations. Parking on the expanded breakwater is proposed to be used for winter storage. A public walkway and a landscape buffer are provided along the outside of the breakwater. The parking and winter storage are provided on the interior of the breakwater. This minimizes the exposure of the stored boats to the elements in the winter. The parking area is expected to be paved. A drop off area would be incorporated at the south end of the expanded breakwater.



Alternative Concept 8a

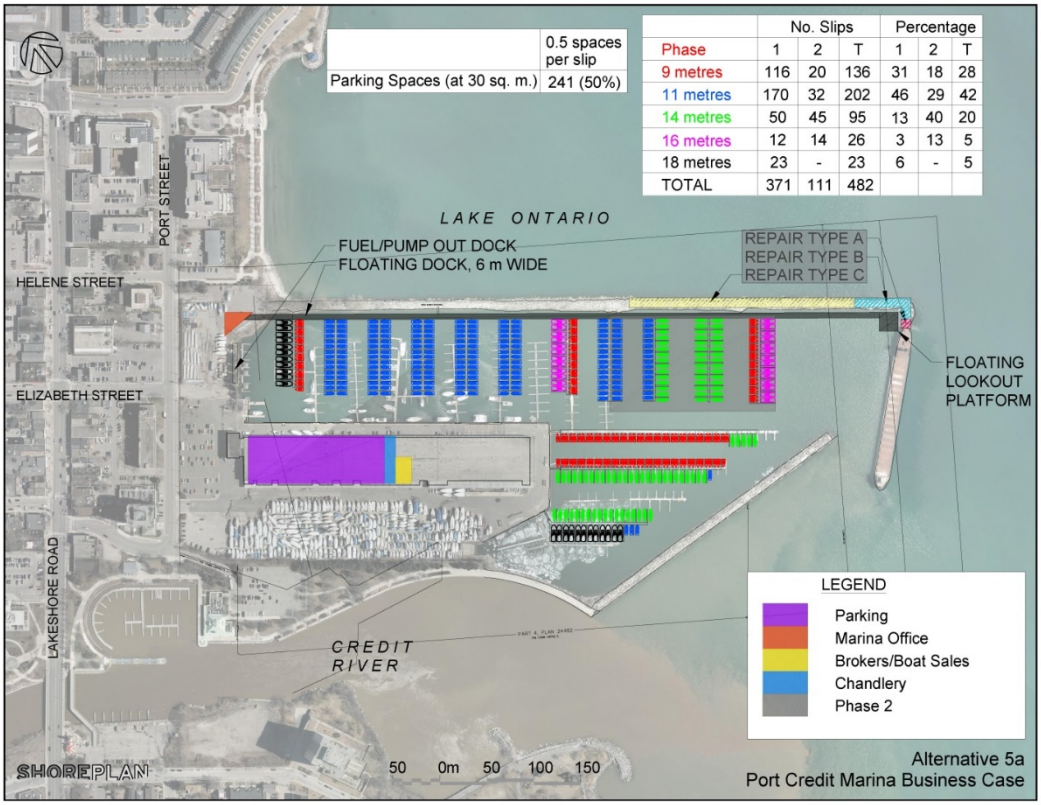
The width of the breakwater was selected to completely fill but to stay within the limits of the existing water lot associated with the Canada Lands Company site. The top of the expanded east breakwater is estimated to be approximately 38 metres wide at the shore and approximately 45 metres wide at the south end. The breakwater is expected to be constructed of stone core with exterior protection of rip rap and armour stone. The highest point of the breakwater is expected to be the south end. Applying standard design and construction criteria, the crest of the breakwater is expected to be near elevation 78.0 metres and gradually reduce to match the existing land elevation at the shore. The west side of the breakwater would remain at approximately the same level as the existing breakwater.

The placement of docks within the entire boat basin requires modifications to the outer 300 metres of the east breakwater and connection of the stone breakwater to the hull of the Ridgetown. Therefore, the dock installation is proposed to be completed in two phases. Phase 1 docks would be located in the north half of the basin and would not require any improvements of the east breakwater. Phase 2 docks would be implemented only after the improvements to the south part of the east breakwater are completed. This approach delays the substantial expenditure associated with the breakwater work.

Public access is provided along the shore of the existing pier, along the perimeter of the expanded section of the east breakwater and along the main floating access pier west of the east breakwater. The marina development does not specifically provide aquatic or bird habitat improvements, but such work can be carried out as part of the overall redevelopment. Opportunities specifically exist with the proposed expansion of the east breakwater. The development of this alterative will not impact coastal processes, local or regional. The existing breakwater structures extend further offshore than the proposed expansion of the east breakwater and remain the controlling structures with respect to sediment transport.

The construction cost of this alternative concept is estimated to be $20,007,990 and $4,528,930 for Phase 1 and Phase 2 respectively for a total of $24,536,920. These amounts do not include any contingencies, allowances or taxes. A minimum 30 percent allowance for design and construction allowance is recommended. The cost does not include any improvements to the existing steel sheet pile wall of the pier. Any required improvements are cosmetic rather than structural and are assumed to be included as part of the site residential/mix use development, not the marina development. The total capital cost for Alternative Concept 8a including site approval costs, a 30 percent contingency allowance and the new equipment required for operation is estimated at $33,478,000.

Alternative Concept 5a



Alternative Concept 5a

The basin layout, number and configuration of slips for Alternative Concept 5a is the same as Alternative Concept 8a. This alternative concept provides no on site winter storage and no repair facilities.

The construction cost of this alternative concept is estimated to be $13,432,240 and $4,528,920 for Phase 1 and Phase 2 respectively for a total of $17,961,160. These amounts do not include any contingencies, allowances or taxes. A minimum 30 percent allowance for design and construction contingency is recommended. As with Alternative Concept 8a, this cost does not include any improvements to the existing steel sheet pile wall of the pier and any required improvements are cosmetic rather than structural and are assumed to be included as part of the site residential/mix use development, not the marina development. The total capital cost for Alternative Concept 5a including site approval costs, a 30 percent contingency allowance and the new equipment required for operation is estimated at $24,499,510.

Summary of Conclusions

The information and data collected as part of this study process, interviews with marina owners and operators, tenants and sub-tenants of 1 Port Street East, Charter Fishing/Tour Boat Operators and seasonal boaters and residents of Mississauga provide a clear indication that:

- There is a strong desire for the continued operation of a full service marina on the Port Credit waterfront;

- A business case can be made for the successful operation of a full service marina on the Port Credit waterfront;

- A future marina at 1 Port Street East is an economic, recreational, and cultural, heritage imperative, and of strategic importance to Port Credit and the City;

- Marinas require heavy investment and have high fixed costs;

- Ongoing high occupancy and revenue producing components are crucial to financial success. Key revenue producing components are:

  - Large number of seasonal slips
  - Winter storage on and off-site
  - Fuel dock with high speed pumps
  - Supportive revenue components include repair services and chandlery (boat supplies store)

- The existing marina operation can continue while the approval process is in progress, while improvements to the outer part of the marina basin are taking place, and while lake filling, if it becomes a part of the project, is undertaken. The removal of the existing docks and the installation of new docks can be achieved between boating seasons;

- A phased approach to the re-development of the marina is possible without negatively impacting the marina's viability;

- The marina can be designed to allow public access at and to the waterfront at 1 Port Street East and function within the future proposed mix use on the site as shown in a number of the alternative concepts presented in the business case;

- Without another revenue source to off-set the debt service none of the alternative concepts for the marina would be attractive to a private developer/operator; and,

- To protect the future of a marina on the 1 Port Street East site as a stand-alone operation in the future, it is expected that the municipality would need to be involved through ownership and/or operation