

Memorandum

To: James Cox, Director of Real Estate

Company: Canada Lands Company

From: Mark Conway

Phone: (416) 364-4414 Date: January 4th 2013

Re: One Port Street – Winter Boat Storage

You have requested that we provide a memorandum outlining our view towards the future of winter boat storage as part of the long term rejuvenation of One Port Street in order to assist the Inspiration Port Credit team with their peer review.

Port Credit Harbour Marina (PCHM) at 1 Port Street is one of the largest private marinas on the GTA's Lake Ontario shoreline. The Marina's current operation includes approximately 800 boat slips which primarily service seasonal lessees, with a smaller portion reserved for transient boaters. In winter months, the PCHM's large paved area and shed are used for boat storage. A significant impact of a comprehensive redevelopment program at One Port Street could be the eventual reduction or loss of the capacity to offer winter boat storage.

The storage facilities at the PCHM are estimated to supply winter storage for approximately 430 vessels in total (90 indoors and 340 outdoors, but figures would vary annually depending on boat sizes). There is no direct relationship between the amount of winter boat storage areas and marina sizes. It is important to understand that boaters do not always store their boat in the same location it is moored during the summer for the following reasons:

- Owners of smaller boats (typically 22 feet and under) can be easily loaded onto a trailer and transported. These boat owners will frequently take their boats home or to less expensive storage facilities.
- Boaters have plenty of storage options on the GTA waterfront and may store their vessel at another site for reasons such as access, security, proximity to home or access to specialized services. St. Catherine's Ship Shape Shipyard, offers heated indoor storage for example. Similarly, boaters come to PCHM from other facilities to store their vessels for the winter.
- Cheaper winter boat storage costs.

As examples:



- Lakefront Promenade Marina only has the capacity to store about 50 boats, so many of its seasonal boaters arrange to store their boats with the Port Credit Yacht Club nearby.
- At the Ontario Place Marina which has 240 slips, approximately 90 to 100 vessels are accommodated for winter storage. In discussions with marina staff at Ontario Place, it was noted that their boaters store vessels at a variety of locations throughout the GTA; some at other marinas like the Toronto Island Marina and Outer Harbour Marina, and others at surface lots along Cherry Street, with local marine service companies (CNC Marine).
- Seasonally low water levels make it impossible for deep keel vessels at the Island Yacht Clubs and Marina to be hauled out and stored in the fall. These boats require alternative storage facilities.
- Outer Harbour Marina is currently expanding its winter boat storage facilities to capitalize on demand from other marinas. It has recently built a 20,000 square foot temporary structure to offer indoor storage as well.
- The City of Barrie's 330 slip marina only has the capacity to store about 40 boats during the winter so seasonal slip users have found a variety of other storage solutions.

The movement of boats between summer berthing and winter storage is therefore highly fluid. For some boaters, the issue may come down to convenience in having their boat stored in the same location as it is moored. However, there is no evidence to suggest there is an issue with respect to the availability of space.

From a practical perspective, it is likely that few, if any current PCHM seasonal boaters would be disadvantaged by the lack of winter boat storage. Any future redevelopment of the marina at One Port Street will take years to be realized and will likely be implemented in phases over 10 to 15 years. During this period, it is expected that winter storage facilities could be slowly phased out and existing tenants could have first priority. New tenants would only be offered spaces as they were available. Through turn over and natural tenant attrition, we would expect that when the final phase of development displaces the remaining hard surfaces area for boat storage, the number current tenants disadvantaged would be very limited.

In terms of capacity in the system for winter boat storage, we do not see any issues impacting on the long term supply of storage facilities. As noted above, there are plenty of storage options on the GTA waterfront and boat storage is common in most storage facilities.

The loss of winter boat storage facilities may cause some boaters to relocate, and potentially soften demand. However, local and regional population growth, particularly from condominium dwellers located close to the waterfront, and the scarcity of slips in the GTA, will likely offset these losses.

The marina function at One Port Street is likely to evolve as other marinas, located in urban waterfronts, have adapted. New high order transit, quality retail environments, open spaces, public access and community facilities will continue to drive demand for competing, high order uses on this property. However, given the abundance of alternative choice in the GTA for winter boat storage, we see a continued role for a high quality public marina in Port Credit providing a core service of recreational boating facilities.