Marina Business Sustainability Plan:
Public Engagement Summary

1. Introduction

Norfolk County owns two marinas – Port Dover Harbour Marina (PDHM) and Port Rowan Harbour Marina (PRHM). On September 10, 2024, staff presented business case options for the ownership and governance of Norfolk County's two municipally-owned marinas because their current annual revenue is not sufficient to offset the capital investment they require over the next 10 years. Options included:

OPTION 1: Public Ownership and Operation
OPTION 2: Public Ownership and Private Operation
OPTION 3: Private Ownership and Operation

In October 2024, **Council decided to retain ownership of both Norfolk County marinas, and will not proceed with Option 3**. Now, we need to determine how to make the marinas financially sustainable.

In February 2024, Norfolk County sought public feedback on the forthcoming **Marina Business Sustainability Plan**. We asked for ideas for making our marinas financially self-sustaining (e.g. through revenue generation, new partnerships, business models, and/or governance models).

The feedback collected will provide a foundation for the Marina Business Sustainability Plan.

2. Executive Summary

2.1 Community Participation

- 4 open houses (115+ attendees total)
- 142 survey responses:
  - 50%+ from Port Dover (27%) or Port Rowan (27%)
  - 20% from outside Norfolk County
  - 85% of respondents visit the marinas regularly
  - 38% PDHM slip renters
  - 4% PRHM slip renters/boat house owners
- 3 proposals received from community members offering different approaches to marina sustainability

2.2 Key Messages

Governance

- Support for treating each marina differently
    - PDHM: Potential for a board or arms-length model
    - PRHM: Preference for advisory committee structure
- Interest in local expertise and Council oversight while maintaining operational independence
- Governance structure should match the selected business model

Financial Sustainability

- Preserve marina surpluses in dedicated reserve funds
- Opposition to large fee increases without service upgrades
- Explore revenue from events, rentals, and leases

Facility Improvements

- Upgrade docks, washrooms, Wi-Fi, and payment systems
- Improve fuel and pump-out services
- Expand and improve maintenance programs

Community Value

- Marinas contribute to tourism and local business with recognized economic impact
- Port Rowan viewed as a waterfront park with community access
- Interest in youth engagement and seasonal events

Ideas for Sustainability

- Introduce retail, food, vendors, and rentals (e.g. kayak, paddleboard, dinghy)
- Host events (e.g. markets, concerts)
- Use seasonal passes and improve promotion
- Explore partnerships to enhance services and amenities
- Explore development opportunities to increase revenue
- Expand winter storage and remove/sell abandoned derelict boats
- Consider mixed-use development concepts
- Improve lease management (i.e. Boat Houses; Giles Marine; abandoned boats)

Top Recommendations

- Develop separate business plans for each marina
- Create inclusive, locally-informed governance models
- Expand non-fee-based revenue sources
- Reinvest in infrastructure and improve public amenities
- Ensure transparent and accountable financial management
- Develop long-term vision that integrates marinas into waterfront development

3. Public Open Houses

3.1 Overview

Norfolk County hosted four public open houses to hear community feedback:

- **Port Dover**: 18 February, 40-50 attendees
- **Port Rowan**: 25 February, 50-60 attendees
- **Simcoe**: 26 February, 10 attendees
- **Virtual**: 20 February, 3 attendees

3.2 Key Messages

Distinct Identity of Each Marina

- Port Dover: A traditional marina with revenue potential
- Port Rowan: A waterfront park with a boat harbor, not expected to be profitable
- Strong support for developing separate business plans for each marina

Governance Models

- Strong support for an external management board model in Port Dover
- Strong support for an advisory board/committee model in Port Rowan
- Preference for local expertise on any management board
- Need for some council oversight while maintaining operational independence

Financial Sustainability Concerns

- Past practice of using marina surplus to offset general levy viewed critically
- Need for dedicated reserve funds provided by marina surplus for capital improvements
- Concern about the impact of 25% fee increase on boater retention
- Need for improved transparency/public understanding of financial reporting

Public Access vs. Security

- Tension between making marinas more accessible to the public and maintaining security for boat owners
- Need for innovative solutions that balance both concerns

Vision for the Marinas

- Need for a clear long-term vision before selecting governance model
- Desire to see marinas as part of broader waterfront development plans
- Recognition of marinas as community assets and tourist destinations

3.3 Business Sustainability Feedback

3.3.1 Governance & Management Models

Management Board/Services Board

- Strong support for a marina management board with:
  - Local expertise and boating knowledge
  - Some council representation/oversight
  - Financial autonomy for operational decisions
  - Annual reporting to council

Municipal Development Corporation (MDC)

- Mixed reactions but potential interest for Port Dover
- Could enable public-private partnerships
- May allow more business-oriented approach
- Some concerns about complexity and cost

Advisory Committees:

- Strong support for advisory committee similar to existing rec advisory committee, comprised of local volunteers with Council representation to provide expertise to staff

Internal Management:

- Some support for continued county operation with improved models
- More efficient staffing models
- Better cost allocation

3.3.2 Revenue Generation

Winter Storage Optimization:

- Potential additional revenue by increasing winter storage capacity – e.g.
  - Better space utilization
  - Better scheduling of launches/penalties for missed appointments
  - Use of hydraulics
  - Removal/sale of abandoned vessels

Expanded Service Offerings:

- Food service (food trucks, C-can vendors, potential restaurant)
- Equipment rentals (canoes, kayaks, dinghies, paddleboards)
- Event hosting (concerts, weddings, special events)
- Pavilion rental for private functions
- Vending machines for passive income

Improved Fee Collection:

- Electronic payment systems for ramp fees
- Automated gates with card access
- Season passes for frequent users

Better Lease Management:

- Port Dover:
  - Review of existing leases (especially Giles Marine)
  - Potential for new leases in underutilized areas
- Port Rowan:
  - Longer-term leases for boat houses (currently 1 year; want 5-10 years to provide lease with some security and motivation to improve their property)

Land Development (Port Dover):

- Potential sale of portions of property for condominium development
- Public-private partnerships for waterfront enhancement

Transient Boater Attraction:

- Premium pricing for high-demand periods
- Better amenities to attract visitors
- Water taxi service to connect marina with downtown

3.3.3 Service Improvements

Extended Hours:

- Later operating hours, especially on weekends
- Staffing of gas docks during peak periods
- Better radio response

Amenity Improvements:

- Better washroom facilities and maintenance
- Wi-Fi system upgrades
- BBQ areas and social spaces
- Connection to downtown areas

Improved Maintenance:

- Regular dock maintenance including anodes to prevent deterioration
- Dredging in Port Rowan
- Ramp improvements
- Washroom cleaning and maintenance

Security Enhancements:

- Card access to dock areas
- Better monitoring of derelict boats

3.4 Community Access & Programming

Public Access:

- Designated public spaces at marinas
- Trail development connecting marina to town
- Public fishing areas

Youth Programming:

- Expanded sailing schools/lessons
- Youth employment opportunities
- Volunteer opportunities for students

Attraction Development:

- Historic storytelling (underground railroad, rum-running history)
- Ghost walks and tours
- Better promotion of waterfront as destination

3.5 Port Dover-Specific Ideas

Dinghy Community Development:

- Dedicated area for dinghy storage
- Affordable access point for younger/new boaters
- Potential sailing school expansion

Enhanced Public Spaces:

- Redesigned waterfront with public access areas
- Integration of private development with public spaces
- Pavilions and social areas

Land Development with Private Partners:

- Sale of portions of property for residential development
- Use proceeds for capital improvements
- Shared infrastructure costs with developers

Improved Security Systems:

- Card access and better gate management
- Designated public and private areas
- Camera monitoring

Food & Retail Services:

- Temporary food vendors or permanent restaurant
- Retail opportunities for boating supplies
- C-can vendor spaces

3.6 Port Rowan-Specific Ideas

Recognition as a Park with a Harbor:

- Management under parks framework
- Different financial expectations than Port Dover
- Focus on public enjoyment rather than profit

Historical/Tourism Development:

- Promotion of local history
- Connection to Main Street businesses
- Tourist attraction development

Special Events Programming:

- Expand BayFest concept to more events
- Concerts and community gatherings
- Family-oriented activities

Better Fee Collection Systems:

- Electronic payment for ramp fees
- Better signage and awareness of fees
- Season passes for regular users

Dredging and Maintenance:

- Immediate need for dredging
- Local expertise for maintenance
- Improved water access

3.7 Implementation Considerations

Phased Approach:

- Focus on "low-hanging fruit" first
- Shorter-term (2-3 year) plans before committing to 10-year vision
- Visible improvements to justify fee increases

Partnership Development:

- Private operators for rentals and services
- Local businesses and service organizations

- Other government agencies (for grants and funding)

Communication Improvements:

- Better information flow to marina users
- Transparency about financial situation
- Regular updates on improvements and planning

Service Level Standards:

- Clear expectations for staffing and service
- Benchmarking against successful marinas
- Balance between cost control and service quality

Capital Plan Review:

- Reassessment of capital priorities
- Expert input on infrastructure needs
- Explore alternative approaches to reduce costs

3.8 Conclusion

The feedback received at our public open houses indicates strong community support for retaining and improving both marinas, but with recognition of their distinct characteristics and sustainability challenges. Moving forward, developing separate business plans for each marina with appropriate governance models appears to have strong community support.

For Port Dover Harbour Marina, an external management model that includes local expertise and some council oversight or representation seems to be favored. Revenue generation options exist that could help make the marina self-sustaining, particularly through a management board model that enables public-private partnerships, strategic investments, and expanded service offerings.

Port Rowan Harbour Marina is widely recognized as a community park with a small boat harbor that should be managed with different expectations than Port Dover. Port Rowan should be valued as a public waterfront community asset with some level of taxpayer support. Thus Port Rowan might benefit from being managed as part of the Norfolk County parks system with strong local advisory input.

4. PUBLIC SURVEY

4.1 Overview

Norfolk County conducted a Marina Business Sustainability Plan **Public Survey** from 3 to 28 February, and received 142 responses:

- 50%+ of respondents are from the Port Dover (27%) or Port Rowan (27%) area
- 10% are from Simcoe
- 20% are from across Norfolk County
- 20% are from outside Norfolk County
- 85% visit the marinas regularly (42%) or visit frequently in the summer (43%)
- 38% are PDHM slip renters
- 4.2% are PRHM slip renters/boat house owners; Port Rowan respondents are residents who visit the marinas/ those who visit Long Point Park in Port Rowan/fish off the Port Rowan pier or kayak out of the park
- Vast majority of Norfolk County community members who do not use or visit the marinas did not participate in the survey

4.2 Key Messages

Financial Management Concerns

- **Perceived Mismanagement of Funds**: Many respondents believe the marinas (especially PDHM) are already profitable/sustainable, but revenues haven't been properly reinvested
- **Reserve Fund Issues**: Strong sentiment that marina surpluses should have been maintained in dedicated reserve funds for future capital needs
- **Tax Subsidy Perceptions**: Many respondents believe marina profits were redirected to subsidize the general tax base
- **Fee Increase Resistance**: Significant pushback against the 25% fee increase, with many warning it will drive away users

Different Needs of Each Marina

- **Strong Consensus for Separate Models**: Overwhelming support for treating each marina differently
- **PDHM as a Business**: Port Dover is viewed as a traditional marina that should be financially self-sustaining
- **PRHM as a Community Asset**: Port Rowan is seen more as a "recreational waterfront park" with a marina component
- **PRHM Unique Challenges**: Urgent need for dredging, boat ramp repairs, and modernized payment systems

Facility and Service Improvements Needed

- **Maintenance Deficiencies**: Multiple complaints about facility conditions, particularly washrooms/showers at PDHM
- **Equipment Issues**: Frequent mentions of broken pump-out stations and inconsistent fuel services/staff availability
- **Wi-Fi and Amenities**: Poor Wi-Fi consistently mentioned, along with lack of amenities compared to other marinas
- **Value for Money Concerns**: Perception that fee increases do not correspond with service or facility improvements

Economic Impact Recognition

- **Tourism Driver**: 92% of respondents believe the marinas have a positive economic impact on Norfolk County
- **Local Business Support**: Boaters reported spending money at local restaurants, shops, and service providers
- **Community Identity**: Marinas are seen as important to community character and appeal, especially in Port Rowan

Governance Preferences

- **Advisory Board Support**: Strong interest in creating advisory boards with stakeholder representation
- **Local Expertise**: Desire to leverage local knowledge and expertise, particularly for Port Rowan
- **Transparency**: Calls for better financial transparency and dedicated management of marina funds
- **Varied Models**: No single governance model received majority support, suggesting need for nuanced approach

4.3 Business Sustainability Feedback

Revenue Generation Opportunities

- **Food and Beverage Services**: Restaurant, café, food trucks at or near marinas
- **Retail and Services**: Marina store, bait shop, boat supplies, equipment rentals
- **Events and Activities**: Concerts, festivals, markets, community gatherings
- **Recreational Expansions**: Kayak/canoe/paddleboard rentals, sailing schools, water activities
- **Accommodation Options**: RV sites, camping areas for transient boaters and visitors

Operational Improvements

- **Extended Hours**: Longer operating hours for fuel docks and services
- **Modern Payment Systems**: Card payment options at Port Rowan boat launch
- **Improved Staffing Model**: Better training and direction for seasonal staff

- **Winter Storage Expansion**: Increased winter storage offerings and services
- **Marketing and Promotion**: Better advertising of marina services and amenities

Governance and Management Solutions

- **Separate Treatment**: Different business models for each marina based on their unique characteristics
- **Advisory Committees**: Create local advisory boards with stakeholder representation
- **Port Rowan Harbour Committee/Port Dover Waterfront Preservation Association**: Leverage existing committee's expertise
- **Professional Marina Management**: Engage management with specialized marina expertise
- **Fund Isolation**: Ensure marina revenues stay within dedicated marina accounts

Public Access and Community Integration

- **Waterfront Development**: Integration of marinas with broader waterfront experiences
- **Accessibility Improvements**: Make facilities more welcoming to non-boaters
- **Community Programming**: Activities that engage both boaters and the broader community
- **Recognition as Community Assets**: Reframe marinas as community resources, not just boating facilities

Financial Management Improvements

- **Dedicated Reserve Fund**: Ensure all surpluses are reserved for future capital needs
- **Capital Plan Review**: Reassess and potentially defer large capital expenditures
- **Financing Options**: Consider debenture financing for major capital projects
- **Grant Funding**: Pursue provincial and federal funding opportunities
- **Public-Private Partnerships**: Explore partnerships for specific amenities or services

4.4 Conclusion

The survey results reveal a community that highly values its marina assets but has concerns about financial management, governance, and maintenance. While there's resistance to substantial fee increases, there's openness to expanding services, amenities, and revenue-generating opportunities.

Key public survey recommendations:

- Developing tailored approaches for each marina
- Create governance structures that include stakeholder input and marina expertise
- Expanding revenue-generating offerings beyond increasing fees

- Integrating the marinas with community, economic development, recreation, waterfront, and tourism strategies
- Ensuring transparent financial management with surplus reinvested into the marina(s)

Stakeholders want to see value for fee increases through improved facilities and services, and want assurance that marina revenues will be properly managed and reinvested in the facilities going forward.

5. Proposals

5.1 Overview

During the consultation period, Norfolk County received three distinct proposals for the financial sustainability of its municipally-owned marinas. All three proposals aim to make the marinas financially self-sustaining with different approaches to governance, financial management, and land use, while maintaining public ownership as directed by Council.

5.2 Proposals

5.2.1 Hybrid Corporate Ownership Model

A Port Dover resident proposes a hybrid ownership structure where Norfolk County would:

- Create a corporation with the County retaining 51% of shares (maintaining control)
- Offer 49% of shares for public purchase
- Set up a board of directors comprised of the top 10 largest shareholders
- The corporation would assume full operational and financial responsibility for the marinas, including operations, planning, hiring, and capital improvements
- This model aims to create financial sustainability while maintaining County oversight through majority ownership, with operational decisions made by the largest stakeholders.
- The objective of this proposal is to make the marinas financially self sustaining while maintaining County oversight through majority ownership

Financial Example Provided:

- Estimated marina value: $10M
- Proposed share price: $2,500
- Total shares: 4,000 (County: 2,040 shares; Public: 1,960 shares)
- Projected annual profit: $400,000 ($100 earnings per share)

Staff Analysis:

The proposal is potentially feasible under Ontario Regulation 168/03, but would require several additional steps and modifications to fully comply with the regulation:

1. The proposed 51% county ownership meets the minimum requirement for municipal control.
2. The regulation does allow for private investment, but requires a public competition process for selecting private investors, which is not addressed in the proposal.
3. Before incorporation, the county would need to:
    - Complete a comprehensive business case study addressing all 15 required elements in section 6(2)
    - Hold public meetings with appropriate notice
    - Make the business case and proposed by-law available to the public
4. The corporation would be subject to all the limitations in section 8, including investment restrictions.[1]
5. The municipality would need to notify the Ministry of Municipal Affairs and Housing if any provincial funds were used for assets to be transferred to the corporation.

While the basic structure of 51% county ownership and 49% private ownership is permissible under the regulation, several processes are mandated by Ontario Regulation 168/03. If Council is interested in pursuing this option, Norfolk County would need to significantly expand the proposal to address these regulatory requirements before it could be implemented. Staff anticipate that this model could present governance challenges, and that an MDC would be a more holistic way of operating the marina(s) as a line of business.

[1] Section 8 imposes several important limitations on municipal corporations:

1. **No Further Incorporation**: The corporation cannot act as an incorporator of another corporate body under any Act as stated in section 8(1): "A corporation shall not act as an incorporator of another corporate body that is incorporated under any Act."
2. **Trust Agreement Restriction**: The corporation "may not enter into a trust agreement, except a trust agreement or indenture for the purpose of obtaining financing for the corporation" per section 8(2). This limits the corporation's ability to establish trusts except specifically for financing purposes.
3. **Investment Limitations**: The corporation "may only invest in securities prescribed under section 418 of the Act" according to section 8(3), and regulations applicable to municipalities would apply to the corporation as well. This restricts the corporation to conservative, municipal-appropriate investments.
4. **Acquisition Restrictions**: Per section 8(4), the corporation may only acquire all voting and non-voting shares of another corporation incorporated under this regulation or a body corporate that has similar restrictions and purposes.
5. **Acquisition Dissolution Requirement**: Any body corporate acquired under subsection (4) "must be dissolved and its remaining assets and liabilities transferred to the acquiring corporation within one year of the date of the acquisition of the shares" according to section 8(5).
6. **Membership Restrictions**: The corporation may only become a member of another corporation incorporated under Part III of the Corporations Act if "they both have the same objects and if the corporation is allocated a minimum of 51 per cent of the voting rights" as stated in section 8(6). This ensures the municipal corporation maintains control in any organization it joins.

These limitations are designed to ensure the corporation remains focused on its municipal purposes and doesn't expand beyond its intended scope or take excessive financial risks.

5.2.2 Financial Restructuring and Operational Reform

A Port Rowan resident contends that the marinas are already financially sustainable when properly assessed, with an actual annual surplus of $500,000-$900,000. The proposal recommends restructuring financial management and operations by directing 100% of marina surpluses to dedicated reserve accounts, returning previously diverted funds to the marinas, and amortizing capital expenditures over their full lifecycle (40-45 years) rather than 10 years. It argues that with proper accounting practices and management oversight, no privatization or significant changes are required.

Key Financial Analysis:

- Claims actual marina surplus is $500,000-$900,000 annually (significantly higher than reported $303,000)
- Questions certain allocated costs (interdepartmental charges, financial costs, debt servicing)
- Argues that capital expenditures should be amortized over full asset lifecycles (40-45 years) rather than 10 years

Key Recommendations:

- Direct 100% of marina surplus to marina reserve accounts
- Return previously diverted surplus from past 10 years to marina reserves
- Phase in the 25% fee increase over 2-3 years to maintain competitiveness
- Review questionable accounting charges and debt allocation
- Address Port Rowan's profitability with proper staffing (students in summer, bylaw enforcement)
- Maintain current management structure but add advisory committees for each marina

The proposal argues that with proper accounting practices and financial management, the marinas are already financially sustainable without levy impact.

Staff Analysis:

In response to the key recommendations identified in this proposal:

- This proposal identifies that a key element of a sustainable financial model for the Marinas includes redirecting the Net Levy Surplus generated by the PDHM to the dedicated Marinas Reserve to support future capital initiatives. During 2025 Levy Budget deliberations, Council directed staff to implement this change, which will improve the outlook going forward, but is not the only relevant factor.
- Marina operations have been publicly debated since inception, and any past decisions reflect the will of Council at that time. Staff are committed to developing a sustainable operating model for the marinas moving forward based on the relevant factors today.
- The 25% user fee increase implemented for the 2025 season was driven by the need to bridge the gap between capital financing requirements and reserve projections at the

time. Staff will continue to make rate recommendations based on market factors, operating results, and future requirements.

- A detailed overview of both the Port Dover and Port Rowan marina budgets was provided within CAO-24-099 Marina Ownership and Governance Options – Update report presented at the October 9, 2024 CIC meeting. A link to the report can be found here. Accounting and financing policies are consistently applied County-wide and should not be modified to benefit a particular situation.
- Establishment and dissolution of advisory committees are the decisions of Council and have been attempted in the past with limited success.
- For more information on the marinas current financial position, see Section 3.2 of June 2025 Marina Business Sustainability Plan Update, available to be presented to Council in Committee on 12 June.

5.2.3 Mixed-Use Development with Partial Land Sale

The third proposal presents a redevelopment plan for Port Dover Harbour Marina that preserves marina operations while generating revenue through partial land development. By rezoning portions of the property for residential townhomes and condos, the plan projects $15 million in 10-year revenue ($6 million from land sale) to offset capital costs. The plan maintains public waterfront access while creating distinct zones for public use, residential development, and marina operations.

Concept:

- Create a mixed-use marina development with residential condos/townhomes in designated areas
- Maintain public waterfront access, marina operations, and enhance amenities
- Generate significant cash injection through partial land sale ($6M estimated)

Financial Strategy:

- Total 10-year revenue projection: $15M ($5M from operations, $4M from Norfolk County repayments, $6M from land sale)
- Offset total 10-year capital expenditure needs: $14.93M
- Result: Small positive balance of $72,000

Key Implementation Elements:

- Rezone "purple blocks" areas from Marine Commercial to Residential
- Create distinct zones: public green space, residential areas, and operational marina sections
- Develop townhomes with marina vista and dock access
- Enhance public amenities (marina building, restrooms, parking, future food service)

Recommendations:

- Evaluate impact of 25% rate increase on patron retention and revenue
- Verify capital expenditure estimates (e.g. $3M for sewage pumping station)

- Investigate development potential and fair market value for land
- Secure commitment from Norfolk County to repay diverted marina surpluses
- Confirm financial model sustainability

This mixed-use redevelopment approach aims to make the marina financially sustainable while preserving its core functions and enhancing public waterfront access.

Staff Analysis:

This proposal preserves core marina functions while creating new revenue generation opportunities. Partial land sale could generate significant immediate capital and retain public access while creating value through residential development. Planning and conservation authority review would be required to determine feasibility:

- The marina site is designated in the Norfolk Official Plan primarily as Urban Waterfront, which are locations within Urban Areas along the lakeshore intended to provide commercial facilities and services to support marine industries along with surrounding residents and tourists. Marinas, marine commercial and marine industrial uses are allowed, along with restaurant, hotel, convention centre, small-scale retail and commercial uses, residential as part of a mixed-use building above ground floor and subject to certain provisions.
- The property is split zoned Marine Commercial (CM), Marine Industrial Zone (MM) and the outer water area as Hazard Land (HL). The Marine Commercial Zone allows a limited range of commercial uses such as convenience stores, restaurants, museum and tourist information building, in addition to marine-related uses. Marine Industrial Zone is fairly limited, in terms of permitted uses focused on marine-related only.
- The lands are also within the Lakeshore Special Policy Area which contains directions and policies related to waterfront uses, tourism nodes, natural environment, etc. The majority of the marina site is within the flood hazard limit and 100-year flood line. The Port Dover Secondary Plan process was considering expanding upon the uses currently permitted in the Urban Waterfront, including the consideration of whether additional residential uses could be appropriate.
- Based on the site and characteristics of the site, subject to Long Point Regional Conservation Authority (LPRCA) study requirements, there may be potential for additional land uses for this site.

If feasible, the proposal would be best pursued through a Municipal Development Corporation (MDC), which would provide greater flexibility in pursuing land development.

5.3 Conclusion

While each proposal suggests a different approach, all prioritize public access and identify opportunities to generate revenue and improve marina operations without impacting the tax levy.