

FOR IMMEDIATE RELEASE
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Why the Main Street Market is ending

Wasaga Beach – Here is a factual look at why council has decided to end the Main Street Market at the end of 2019.

What is the history of the market that we know today?

The majority of Council approved the establishment of the Main Street market in January 2016. It was proposed as a money maker with substantial revenues coming from renting beach furniture under an agreement with Ontario Parks to manage the Beach. The Town was able to enter an agreement with Ontario Parks; however, a beach equipment rental business was never established. As a result, the projected revenues never materialized

The market, consisting of 12 kiosks, opened in June 2016.

What was the purpose of the market?

The purpose of the market was to provide activity on the Main Street pedestrian mall on a temporary basis until the redevelopment of the beachfront.

Why was this necessary?

The pedestrian mall had become desolate after the fire in late 2007 and there was limited commercial activity. The Economic Development Department was of the view that, "The market will be a catalyst to further short, medium and longer term more permanent solutions – all intended to bring life to Main Street, reconnect residents with the Main End and deliver a richer tourist experience."

What was the cost of establishing the market?

The town made a significant investment. The cost to establish the market was \$238,944.

And where did these funds come from?

The money used came from the town's reserves.

Were there additional costs over time?

Yes, there were.

For example, in 2017, \$3,755 was added to the debt.

However, in 2018, the debt was reduced by \$25,872.

But as of Jan. 1, 2019, the debt stood at \$216,827.

Did the tax levy contribute to the market?

Yes it did. Between 2016 and 2018 there was \$91,396 contributed.

So how did all of this factor into council's decision to end the market?

- A majority of council did not believe it was right to use tax dollars to pay for entertainment to support a limited number of businesses
- They also did not think it was right to spend dollars for the benefit of seasonal businesses when some of this tax money comes from year-round businesses.
- The low Main Street Market rents are not fair to other landlords in the area. The town is essentially competing with the private sector, which at the same time pays property taxes to the municipality.
- Revenue estimates did not materialize. As a result, the amount borrowed from reserves to start the market was \$238,944 instead of the \$91,490.
- In the third year of operation the market started to make money and paid back \$26,295 to the reserve, however, the balance of the borrowing at the end of 2018 was is still \$216,827.
- The tax levy continues to make contributions to the operation of the market in paying for the entertainment

So what is the plan to end the market?

Council has directed that all tenants be notified the market will cease operations at the end of 2019.

Not all 12 kiosks are leased for this season. There are at least four that are vacant.

Leases for kiosks expire at the end of May 2019, however, council has agreed to extend these leases until the end of this season.

The Beer Garden lease was not intended to end until May 31, 2021, but council has directed that the Beer Garden be issued a demolition/development notice under the lease so that it ends May 31, 2020.

What is the plan for the site?

There are a number of things happening.

Council has directed staff to consider options to divest the beachfront property.

Council has also directed staff to look at creating parcels of land that are significant in size so that development is not piecemeal.

Staff will be convening a “Builders Forum” of the many developer/builders that have an interest in Wasaga Beach to discuss their ideas for the development of the beachfront and ideas to improve development across Town.

The town will issue a new Request for Expressions of Interest (RFEOI) for the development of Beach Area 1 based on the input from the development community, needs of the community, policies and zoning provisions flowing from the downtown master plan and best practice.

The town will then issue a Request for Proposals (RFP) to develop the various aspects of the beachfront based on the responses to the RFEOI.

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