

Critique of the Proposed Marina Expansion Plan

Executive Summary

Town staff have proposed to Council that 120 new slips be added west of the central pier, storage and infrastructure facilities be added where the marina parking lot is now and numerous other features be added. This would be funded by having the Town borrow \$2.5 million with a debenture to be paid back over ten years with the revenue from the new slips. The proposal is based on a report by the Director of Public Works, Bill Watson, in November 2013, a report from the Manager of the Marina and Waterfront Facilities, Paul Gauthier, in October 2013, and the report from and Shoreplan Engineering Ltd in February 2015.

The overall plan is flawed because the need for the new slips is uncertain, there is no Risk Analysis, no consideration of possible alternatives and the Business Case is weak. The plan, as it stands, should not be a basis for Council to make a \$2.5 million investment in a major and controversial change to the harbour which will have a negative impact on all the other users.

The Needs Analysis is weak.

The need for the new slips is based on a waiting list. All the names on the waiting list have not been verified and no deposit has been paid or asked for. While Town staff knows who is on the waiting list and where they live, the general public do not know who the people are, how current their request is and where they come from. So it is difficult to assess the actual need. There has been an average of about sixty empty slips throughout the past season so the evidence for need is weak. It is not strong enough to support a \$2.5 million expenditure.

Other Alternatives were not considered.

Shoreplan Engineering was only asked by the Town to review one option – to add 120 slips west of the central pier and they evaluated 4 variations of this one option. No other option was considered.

1. Presently Cobourg keeps 40% of its slips open as transient slips. These are kept vacant for visiting boats. An option not considered (the most obvious option) would be to convert sixty of these transient slips into seasonal slips; this would produce added revenue without the need for ANY capital expenditure. The reason given by staff for not doing this is that Cobourg is a harbour of refuge and these slips have to be kept open. This is nonsense. A review of fifteen other harbours on Lake Ontario shows that no one keeps more than 10% slips open.

In addition more slips could be made available if a system were introduced to sublet slips when boaters are away for any length of time.

2. The option of doing nothing was not evaluated.

The Business Case is very weak.

The recommended method for financing the expansion is to borrow \$2.5 million on a debenture to be paid back over ten years with the revenue from the new slips. The revenue from the added slips would also generate cash to pay for the future replacement of slips in fifteen years time when they have deteriorated. Such future maintenance should not be paid for by capital spending; it should be paid for by accumulating a reserve fund from the revenue from the existing slips. Currently the marina generates about \$69k to reserves annually

The Marina Manager states that by borrowing money on a debenture, no tax dollars will be required because the revenue from the slips will pay down the debenture. However if the slips are not filled and the revenue does not materialise, tax dollars will be required to repay the debenture.

No Risk Analysis has been done.

There are many financial risks associated with the proposal, none of which have been considered:

1. For many serious keel boaters, Cobourg is not considered to be a worthwhile harbour to locate their boat. Whereas a sailor moored in the new Trenton Marine will have good access to the picturesque sailing waters of the Thousand Islands, from Cobourg there is nowhere to go. It is the same whether you go west, east or south. The brand new Trenton Marina can take large boats with up to a seven foot draft; it has a beautiful club house and will certainly become the Marina of choice, drawing sailors from the Cobourg catchment area. So, if the proposed Cobourg slips are not filled, there will be a shortfall in revenue and the tax payer will be on the hook to pay back the debenture.
2. The Needs analysis is weak: are there really people lining up to get slips when we have had an average over sixty empty slips. If the new slips are not filled, then tax dollars will be required to pay for the shortfall in revenue to pay down the debenture.
3. The Shoreplan report proposes that existing Marina Parking area be used for boat storage and handling. Existing Green Space will be replaced by unsightly asphalt and heavy equipment. This will impact on the Condo owners to the North whose property values will decrease. If they appeal to the Municipal Property Assessment Corporation and have their assessment reduced, the Town could lose tens of thousands of dollars in tax revenue. A better way to expand the available boat storage would be to expand to the west and get rid of the existing derelict boats.
4. Presently the biggest fund-raiser for the United Way is the annual Challenge the Dragon event which is organised by the Cobourg Dragon Boat and Canoe Club. The proposed arrangement of new slips would preclude holding the event and the United Way would lose approximately \$40k in annual revenue.

Impact on other users and interest groups

Shoreplan did not talk to any of the existing user groups until very late in the process and appear not to have understood their requirements and concerns.

Dragon Boaters need the whole of the natural harbour to practise because they need to utilise a long straight course to simulate race conditions. As well, a dragon boat moving at a speed needs a wide turning radius to accommodate its length. Such turning is an integral part of regular practices.

The first dragon boaters to use the harbour were the Survivor Thrivers. This is a group of women who have survived breast cancer. They provide each other with much needed emotional support. Their team has competed nationally and internationally with great success, bringing recognition to Cobourg.

Cobourg Dragon Boat and Canoe Club also use the harbour to practice and train. The dragon boaters, with a current membership of about ninety, send teams to about a dozen festivals a year. The kayakers and canoeist, are juniors, and attend Provincial and National regattas winning many medals. This club provided opportunities for our young people to work hard and excel, and bring recognition to Cobourg, reinforcing the idea of Cobourg being a *Feel Good Town*. The club also provides opportunities for physically-challenged people to practice and compete.

Junior sailors from the Cobourg Yacht Club also need the full harbour to practise and train because racing courses are triangular, and when going up wind they need the space to tack.

The Willow Beach Naturalists are another interest group. They and the general public love the beauty of the natural harbour and the surrounding area. All year round, people come down to the harbour simply to admire the view of the harbour and the wild life.

Rather than spend taxpayers money on grandiose projects, the Town should consider using funds to support its young people and help the physically challenged. This would reinforce and nurture Cobourg as a *Feel Good Town*.

Conclusion

The proposal to expand the marina by adding 120 new slips, expanding the boat storage and adding various facilities is flawed on many counts and should be rejected by Council.

Cobourg Dragon Boat and Canoe Club