



## Response to Council Enquiries

### Infrastructure Services

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**Prepared for:** Council-in-Budget Committee

**Meeting Date:** Wednesday, January 29, 2025

**Meeting Date of Enquiry:** Monday, January 13, 2025

**Enquiry by:** Mayor Redekop

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**Title:** Bay Beach Property Life Cycle Management of Assets

#### **Nature of Enquiry:**

**That:** The Report IS-01-2025 be deferred to staff to report on other revenue options, non-resident fees, including parking, and life cycle management of assets for the Council-in-Committee meeting on February 10, 2025.

#### **Response:**

At the Council-in-Committee meeting on January 13, 2025, Council tabled report IS-01-2025 and requested additional information related to past investments in the Bay Beach property. Further, Council indicated that other opportunities for revenue generation should be considered.

The Town of Fort Erie initially acquired the Bay Beach property in 2001 for \$2,050,000 and has since spent approximately \$4 million upgrading and renewing assets on the property. These subsequent expenditures most notably include the \$3.3 million redevelopment which introduced a significant change to the landscape of the property, construction of permanent washrooms, leading to the reinstitution of an admission fee. Additional investments totalling nearly \$650,000 make up the balance. The other projects over the past 20 years included: the purchase of a temporary washroom facility, demolition of aged facilities, site security fencing, and upgrades to parking lots. In total, \$6 million in investments have been made in the property since 2001. These capital investments translate to an annual amortization of approximately \$160,000 for the site, which has led to an annual operating deficit. These figures have been summarized in Table 1 below.

## Bay Beach Property Life Cycle Management of Assets

Table 1: Bay Beach Operating and Capital Costs

	2001-2018	2019-2024	Totals
<b>Annual Operating Totals</b>	\$1,396,008	\$1,797,927	\$3,193,935
<b>Revenues</b>	\$83,763	\$1,911,977	\$1,995,740
<b>Net Deficit/(Surplus)</b>	\$1,312,245	\$(144,050)	\$1,198,195
<b>Capital Cost Totals</b>	\$5,850,000	\$150,000	\$6,000,000
<b>Amortization</b>	\$192,353	\$878,546	\$1,070,899

Staff have quickly analyzed other opportunities for revenue generation and will be providing Council with a report for consideration in March 2025. Options will include: an introduction of a non-resident fee for the Boat Ramp Season Passes (with up to approximately \$2,500 increase in potential revenue), alterations to the Boat Ramp daily parking fee to maximize higher use day revenues similar to Bay Beach day admission fees (approximately \$3,000 increase revenue potential), adjustments to the Bay Beach parking fee schedule (both on-street and parking lots) to maximize prime day revenues (approximately \$80,000 increase revenue potential) and institution of an overnight parking fee for the Erie Road municipal parking lot (approximately \$5,000 in new revenues). These proposed changes will be detailed in the March report for Council's consideration; however, the revenues are being identified now as to enable adjustments to the proposed 2025 operating budget to establish expected revenues as accurately as possible.

In summary, the additional revenue from non-resident boat ramp fees, demand-style parking on-street and at the main and Hill Cottagers parking lots, and the addition of overnight parking fees at Erie Road could potentially generate up to an additional \$90,500 annually.

**Status:** Ongoing

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