

August 29, 2022

The District Municipality of Muskoka
Planning and Economic Development Department
70 Pine Street, Bracebridge ON
P1P 1N3

Attention: Lisa Marden, Director of Planning

Town of Gravenhurst
3-5 Pineridge Gate
Gravenhurst ON
P1P 1Z3

Attention: Melissa Halford, Director of Development Services

Township of Muskoka Lakes
1 Bailey Street,
Port Carling ON
P0B 1J0

Attention: David Pink, Director of Development Services and Economic Sustainability

Re: Economic impact of Resorts in the District of Muskoka

On behalf of the Muskoka Lakes Association and the Friends of Muskoka, I would like to comment on statements frequently made by planners regarding the economic impact of resorts in the District.

The following are two recent examples:

1. Planscape, in its letter on behalf of certain resort clients dated August 11, 2022 to the Township of Muskoka Lakes planning staff, regarding the Township's Official Plan review, stated that: "As the major economic engine in the Township and the base of the tourism sector, the noted resort operators...".
2. Plan Muskoka, in its letter on behalf of a developer client dated June 21, 2022 to the Town of Gravenhurst planning staff, regarding a zoning by-law amendment application with respect to a proposed resort redevelopment on Taylor Island, Lake Muskoka, stated that: "The accommodation sector and related activities is the driver of Muskoka's waterfront economy...".

With respect, we disagree, based on the information set out below.

District of Muskoka Official Plan (MOP)

The MOP, in Section F6, sets out a table showing the number of resorts in the six lower tier municipalities and the District over the period from 1957 to 1991. Please see the table attached.

The decline in number of resorts over time is dramatic. For example, in 1957, there were 554 resorts in the District. However, by 1981, there were only 126.

Altus Resorts Study

The District commissioned a study (Altus Study) by Altus Group Economic Consulting (Altus) regarding the waterfront economy, including resorts. Altus prepared a report dated May 6, 2020 entitled "Understanding the Waterfront Economy of Muskoka: An Economic Benefits Analysis". Please see a copy of the Altus Study attached.

The Altus Study refers to a similar report (PKF Study) commissioned by the District in 2013 from PKF Hospitality & Tourism Business Advisor (PKF) entitled "Muskoka Resort and Tourism Official Plan Review" and notes that PKF found there were only 87 resorts in the District in 2013.

The Altus Study notes that, by 2018, there were only 32 waterfront resorts in the District.

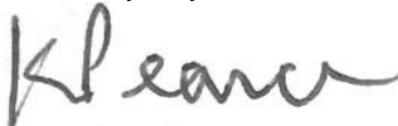
The analysis is across four major waterfront accommodation segments: own-use seasonal cottages, waterfront short-term rentals, waterfront year-round residences and waterfront resorts.

The table attached summarizes information derived from the Altus Study regarding direct economic activity, indirect and induced economic activity and total economic activity. The interesting point to note is that when you combine total economic activity from seasonal (including short term rentals) and year-round waterfront residences and compare it to total economic activity from waterfront resorts, it is more than double (\$1,240M versus \$592M).

The Altus Study puts it succinctly:

"The seasonal own-use recreational cottages industry is by far the most significant contributor to Muskoka's waterfront economy."

Yours very truly,



Ken Pearce
Director, Vice-President and Secretary
Muskoka Lakes Association

Director and Secretary
Friends of Muskoka

cc: District CAPS Committee
Township of Muskoka Lakes Planning Committee
Town of Gravenhurst Planning Council
Laurie Thomson, President, Friends of Muskoka
Susan Eplett, President, Muskoka Lakes Association
Stefan Szczerbak, Planscape Inc.
Savas Varadas, Plan Muskoka