



T O G E T H E R F O R B U S I N E S S

November 5, 2019

To: Economic Development Committee – Township of Scugog

The Board of Directors of the Scugog Chamber of Commerce are concerned about the changes in the retail vs service mix in our downtown, tourism core. The Township of Scugog along with the Port Perry BIA in the 90's went to great lengths to secure a tourist designation for the downtown core. Tourism is Scugog's second largest economic driver and as such it needs to be in the forefront of the property owners mind within the Heritage Conservation District.

Within the Port Perry BIA area, tourists are attracted to our beautiful town beyond its heritage designation. They arrive to enjoy the eclectic offerings of our retail and restaurant mix situated within the main floors of our prime, Queen Street buildings. (The Port Perry BIA is defined by Mary Street to Simcoe St to North Street to Water Street. Everything within this square (that is not residential) is considered part of the Port Perry BIA.)

Within the core of maintaining this eclectic mix is the fact that rent values have risen beyond reach of most, stable retailers. We do not reside in downtown Toronto and our rents should reflect this fact. While our tourism is starting to increase again, the visitor numbers are not high enough to maintain some high rent levels. Best business practises provide proof that a long term tenant is key to providing stable property income and assist in maintaining property values. Constant tenancy changes overtime have many costs associated with them and put a strain on the tourism portfolio. In order to attract and maintain the charm of our downtown, rental fees and the retail and service mix must be maintained to create a viable, vibrant downtown worth visiting.

The Ontario Business Improvement Association which is the over arching organization of BIA's in Ontario, completed a Return On Investment(ROI) study two years ago with the assistance of the Ministry of Affairs and Housing and found "that BIAs are primarily comprised of five NAICS codes: Retail Trade (25%), Other Services (19%), Accommodation and Food (18%), Health Care & Social Services (9%) and Professional, Scientific and Technical Services (7%). All other NAICS fall under 3%, with the vast majority having none." – ROI on Downtowns OBIAA . Factors to keep in mind are the square footage of the BIA areas and their proximity to larger urban areas.

We are looking to the economic development committee, along with the Township to take the lead on providing guidance towards establishing a by-law that addresses the growing need for stability of the business mix offerings within our Tourist / Heritage Conservation District.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tony Janssen", written over a white background.

Tony Janssen,
Chair, Scugog Chamber of Commerce

CC: Mayor Drew & Council
Region of Durham Council & Port Perry BIA

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