

Middlesex County Tourism Investment Tool-Kit

Presentation and
Report to Middlesex
County Council

June 25, 2024

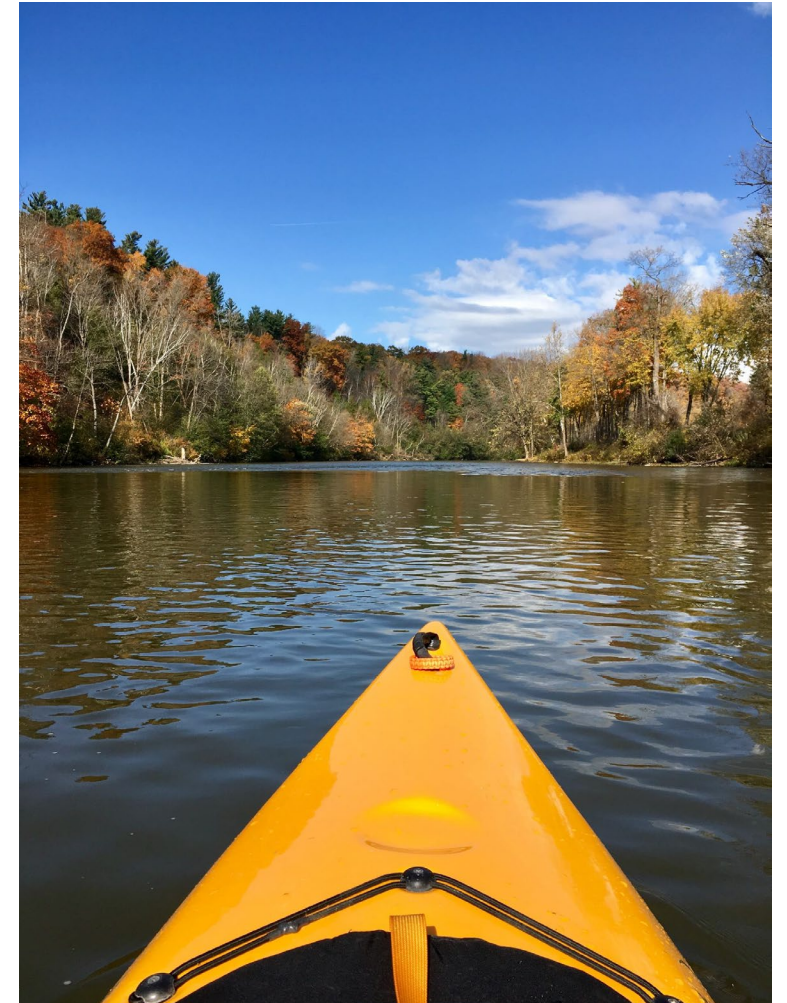


Source: Middlesex County

Outcomes of the Tourism Investment Tool-Kit

Founded on a shared vision of overall growth for Middlesex County and its tourism economy, ensuring prosperity for all communities, while recognizing individual community needs and strengths

- An inventory of existing tourism assets of Middlesex County
- Gap analysis to identify products & experiences that best benefit and support Middlesex County
- Assessment of potential sites for new tourism investment
- Outline of actions related to land use planning for tourism operators and investors
- Summary of best practices and case studies related to successful tourism business development and expansion in Ontario
- A separate report to identify inconsistencies between Middlesex County's tourism development goals and County/local municipal planning policies and regulations



Middlesex County Market Overview



Source: Middlesex County

Resident Market

- In 2023, Middlesex County had 82,570 residents and household income of \$108,800
- Including the City of London, the primary resident market featured 530,000 residents

Visitor Market

- 8.4 million visitors to Southwestern Ontario (Region 1) in 2021
- 76% same-day visitors, 50% travel in Q3
- Majority of visitors come for pleasure, especially outdoor/sports activities and/or visiting friends or relatives

Accommodation Market

- Middlesex: 15 properties (1 hotel, 4 motels, inns, 3 farm stays and 7 B&Bs), 164 rooms
- London: 45 properties, 3,438 rooms
- In 2023, London hotel occupancy reached 66%, with \$151 Average Daily Rate (ADR)

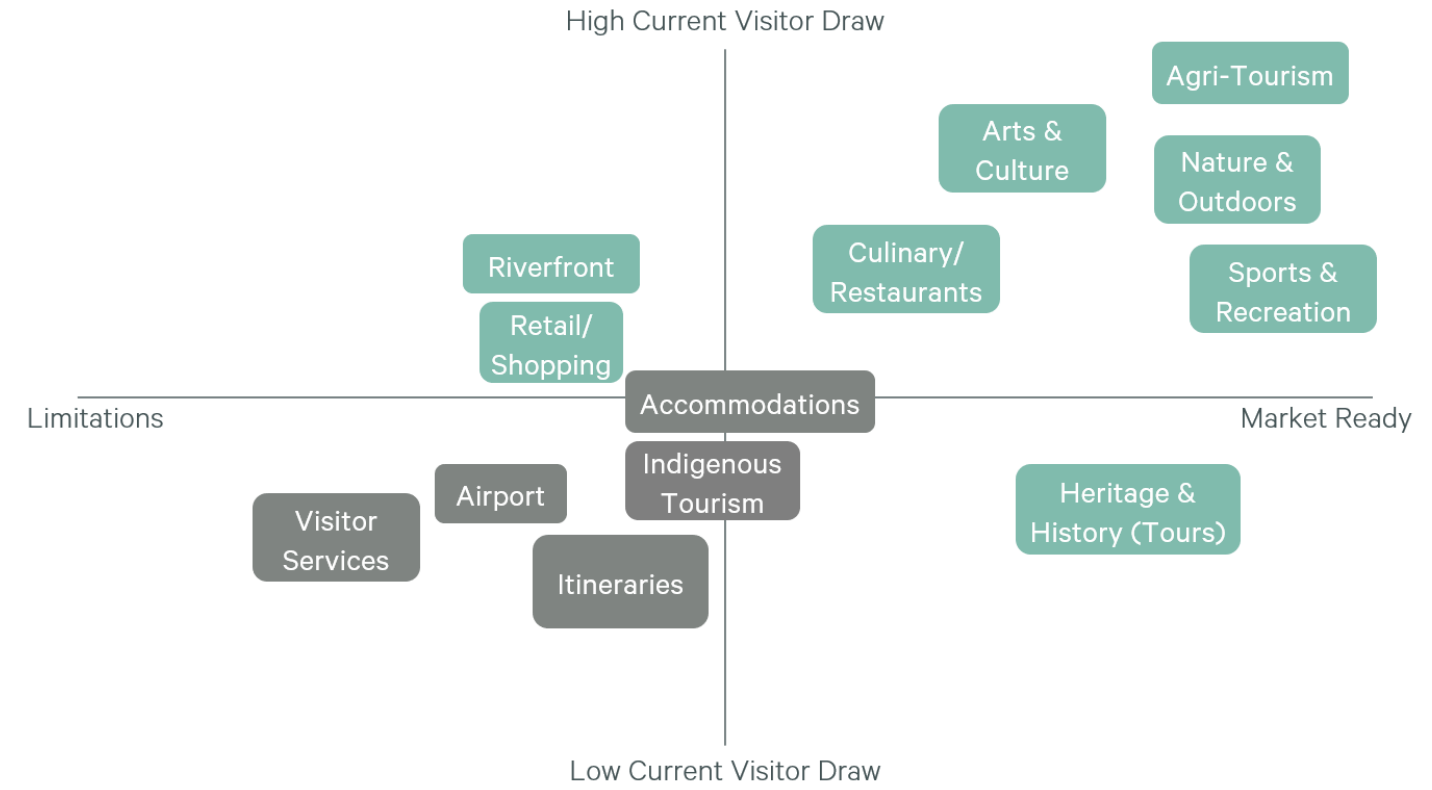
Visitor Activity Participation in Region 1

Activity	Visitor Participation
Visit Friends or Relatives	47%
Any Outdoor / Sports Activity	24%
Restaurant or Bar	20%
Shopping	19%
Sightseeing	13%
Visit a Beach	12%
National/Provincial Nature Parks	7%
Camping	6%
Hiking	4%

Source: Ministry of Tourism, Culture & Sport, 2021

County Product Analysis

- 313 tourism assets in Middlesex County – 36% culinary (restaurants)
- Agri-tourism, nature & outdoors and sports & recreation are highest performing assets
- Arts & culture and culinary establishments are gaining notoriety
- Various accommodation options (B&B's, campgrounds, farm stays, motels, inns) but only one hotel, limiting upscale leisure & corporate demand
- Some heritage venues are market ready but need better promotion as a cluster of activities
- Private sector itineraries and Indigenous tourism experiences are available, but could draw higher demand with additional products/experiences and promotion
- Riverfront experiences and boutique retail need supportive infrastructure



Tourism Investment Opportunities for Middlesex County

Key Evaluation Criteria:

- Private Sector Investment Potential
- Site Considerations
- Market & Financial Feasibility
- Tourism Destination/ Appeal Factors

Long-List of 12 Tourism Investment Opportunities Evaluated

- Small Hotel/Corporate Retreat with Meeting Space
- Unique Accommodations (e.g., Farm Stays)
- Transient Accommodations on Golf Courses
- Hotel & Indoor Waterpark
- Multi-Use Event Centre
- Glamping and Outdoor Adventures
- Tourist Commercial Businesses on Thames River
- Immersive Light Experiences/Art Installations
- Microbrewery, Cidery or Distillery
- 4-Season Farmers Market
- History and Heritage Venue
- Sport Tourism Venues and Experiences



Top 3 Tourism Investment Opportunities

1. Glamping & Outdoor Adventures
2. Small Independent Hotel/Corporate Retreat Centre
3. Microbrewery

Glamping & Outdoor Adventures



Concept: “glamorous camping”, upscale establishment featuring 10 geodesic dome-style structures, on a 3-acre site, that is serviced and zoned appropriately

Target Markets: families, couples, individuals, corporate groups, and those attending special events

Capital Costs: \$665,000 (est.)

Utilization: 1,360 occupied nights in Year 1, increasing to a stabilized demand of 1,500 occupied nights or 2,000 guests per year (double occupancy staying an avg. 2 nights)

Year 3 Financial Operating Projections: included in the report

Small Independent Hotel



Concept: 50-room upscale hotel with conference facilities, could be used for corporate retreats, small conferences and weddings - would fill several gaps in the existing market (multi-use event space and overnight accommodations)

Target Markets: corporate travellers, meeting/conference delegates, leisure groups (weddings, sports, etc.), leisure independent travellers and government/discounted.

Capital Costs: \$11.3 million (est.)

Utilization: 11,900 occupied room nights going up to 12,800, for stabilized occupancy of 70.2%

Year 3 Financial Operating Projections: included in the report

Microbrewery



Concept: microbrewery with a small retail area and 20-seat taproom, and a potential partnership with a local restaurant to offer light foodservice

Target Markets: younger demographic (millennials and Gen X), higher-income people who value artisanal products and “unique” brews

Capital Costs: \$900,000 (est.)

Utilization: unit sales and generate 66,100 covers by its third and stabilized year of operation or 82% occupancy

Year 3 Financial Operating Projections: included in the report

Policy Review Report Findings



- Middlesex County's Official Plan and the County's Strategic Plan are strongly aligned with County economic development objectives re: tourism as an economic driver.
- Majority of County lands outside of settlement areas are Prime Agricultural lands with a few site-specific designations, thus provincial (PPS) policies are limiting towards encouraging larger-scale, recreational and tourism-oriented opportunities = barrier to tourism uses which are outside of on-farm diversified uses.
- Each of the 8 local municipalities has a unique approach with regards to the use of land use planning tools to achieve tourism and economic development objectives.
- Other than Thames Centre, policy direction that ties commercial development uses for tourism development was limited in most municipalities.
- Available tourism policies activate existing assets and predominantly focused on areas within the agricultural designation (i.e., agri-tourism uses).
- Local official plans could concentrate greater policy language towards the promotion of commercial tourism beyond agri-tourism (e.g., creative, cultural heritage, eco-tourism, etc.).
- Some municipalities should defer more heavily to Visit Middlesex for tourism support and promotion, while focusing more directly on local planning direction.

Thank you!



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