

Town of The Blue Mountains

Community Improvement Plan

Technical Paper: Economic Trends & Technical Barriers

December 2025



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Contents

1. Executive Summary	1
Key Observations	1
2. Introduction	4
Town Wide Revitalization CIP	4
3. Geographic & Demographic Considerations	6
Location & Population.....	6
Employment.....	7
Town of The Blue Mountains Sector Profile Report.....	10
4. Macroeconomic Conditions	12
Construction Costs	12
Interest Rates	14
5. Non-Residential Assessment	15
Existing Inventory	15
Proposed Inventory.....	17
Warranted Commercial Space	19
Need for Industrial Space	21
6. Competitive Positioning	21
Tax Rates.....	21
Development Charges	22
Rents	23
Commercial	24
Office.....	24
Industrial	24
7. CIP Uptake	25
8. Key Observations	28



1. Executive Summary

The Town of The Blue Mountains (“TBM”, “town”) has retained NPG Planning Solutions Inc., in coordination with Parcel Economics and Tim Welch Consulting, to prepare a new Community Improvement Plan (CIP). TBM has two (2) existing CIPs: the *Town Wide Revitalization CIP* to support private property improvement and revitalization, and the *Housing Within Reach CIP* to facilitate the development of affordable and attainable housing. The new CIP will continue to support community revitalization and support the provision of affordable and attainable housing options through updated and innovative programs specific to the needs of TBM. The preparation of the new CIP will include community and stakeholder engagement opportunities to ensure that the plan addresses the needs, priorities and aspirations of the community and provides funding where it will be best utilized to make TBM a more vibrant community.

This Technical Paper has been prepared in support of the preparation of a new CIP for TBM and addresses existing economic trends and technical barriers for businesses in TBM, as well as how the employment landscape is anticipated to change based on macroeconomic conditions and employment forecasts prepared for the Town. In addition to trends and barriers in TBM, this Technical Paper also evaluates the existing *Town Wide Revitalization CIP* in terms of the number of applications and incentive programs being utilized.

Below we have summarized key observations from this Technical Paper.

Key Observations	Details
<p>1. Geographic & Demographic Considerations</p>	<p>Though projected to grow faster than any other Grey County municipality, TBM is likely to continue to be a secondary economic/commercial hub due to its proximity to established employment areas in nearby Collingwood and Owen Sound.</p> <p>Rather than work against this condition, TBM has an opportunity to leverage its own unique identity based on its key economic sectors, as well as benefit indirectly from continued growth elsewhere in Grey County, Simcoe County, and the province.</p> <p>Specifically, updates to the CIP could explore opportunities to further support tourism, agriculture, construction/ development, professional services, retail trade, and manufacturing.</p>

<p>2. Macroeconomic Conditions</p>	<p>Macroeconomic conditions, namely high construction costs and interest rates, are making new non-residential development challenging across municipalities in Ontario. While these macroeconomic factors are out of the control of TBM, CIP programs that reduce municipal development costs elsewhere may help to incentivize new development. That said, residential and non-residential development may be limited in the short term regardless of CIP programs.</p>
<p>3. Commercial Inventory & Vacancy</p>	<p>The current commercial inventory of TBM excluding Blue Mountain Village may be undersized based on current population and a low vacancy rate of 1% could be an indicator of unmet demand in the municipality and a justification for additional commercial space. Additionally, projected population growth to 2046 is estimated to create demand for between 210,500 SF to 348,000 SF of additional commercial space.</p> <p>There is likely an opportunity to design CIP programs to encourage additional commercial space.</p>
<p>4. Competitive Positioning</p>	<p>Tax rates in the TBM are low compared to neighbouring municipalities, however high development charges (DCs) may be an impediment to development.</p> <p>We note current CIP programs do not offer relief on development charges. There may be an opportunity to develop a specific CIP DC program or include DCs as part of the existing Municipal Fees Grant Equivalent Program.</p>
<p>5. CIP Uptake</p>	<p>Recent CIP uptake has been focused primarily on beautification and improvement of existing non-residential buildings/properties rather than net new non-residential development. A review of requirements and funding amounts for programs that incentivize new development may be warranted.</p> <p>Additionally, though explicitly prioritized in CIP language, there has been limited CIP uptake by agricultural/agri-tourism proponents, in part because certain CIP</p>

	programs do not apply to agricultural/rural lands. Expanding CIP programs to these lands may increase uptake.
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2. Introduction

The Town is currently undertaking a review and updates to its two (2) existing Community Improvement Plans (CIP):

- *Town Wide Revitalization CIP*
- *Housing Within Reach CIP*

Both CIPs provide financial incentives to support community revitalization and facilitate the development of affordable/attainable housing, respectively.

Accordingly, it is important to ensure updates to the CIP reflect current and anticipated business/economic conditions to maximize the impact of the public funds provided/foregone via incentives.

This Technical Paper examines and analyzes the following elements to understand economic trends and technical barriers to business development and/or operations in TBM:

- Geographic and demographic considerations
- Macroeconomic conditions
- Existing and proposed non-residential inventory (i.e., retail, commercial, industrial)
- Competitive positioning of TBM compared to neighbouring municipalities (e.g., development costs, taxation, rents)
- Uptake of the current Town Wide Revitalization CIP

Parallel Reporting On *Housing Within Reach CIP*

This Technical Paper focuses exclusively on the *Town Wide Revitalization CIP* due its focus on economic development. Discussion of the *Housing Within Reach CIP* is being prepared under separate cover. We note that many of the economic conditions discussed in this report (e.g., geography, demographics, construction costs, interest rates, etc.) also impact housing in TBM.

Town Wide Revitalization CIP

The *Town Wide Revitalization CIP* was developed in 2021 to stimulate private sector investment in community improvement works through incentives. Per its name, the CIP applies to the entirety of the municipal boundary of TBM, however certain programs are only available for properties in the commercial core areas of Thornbury, Clarksburg, and Craigleith, as well as the Bruce Street / Marsh Street corridor. The CIP is intended to incentivize the following priority development and revitalization projects:

- Increased value-added agricultural uses, agri-tourism, and facility improvement projects;
- Promotion of the redevelopment and/or conversion of brownfield vacant, and grey field properties;
- Support for downtown revitalization of store fronts, publicly-used frontages, and streetscapes; and
- Support the adaptive re-use of commercial, industrial and institutional buildings.

There are 10 incentive programs available through the CIP to support the above priorities as well as private property improvement and community revitalization more broadly. Programs offer incentives for beautification, adaptive reuse, remediation and redevelopment, among others. Incentives amounts range from \$5,000 to \$60,000 per application depending on whether they are provided as grants or loans (with loans having a higher monetary value). A full list of incentive programs is presented in Figure 2.1.

The CIP has provided approximately \$200,000 in funding over its past three years of intake (2023 to 2025). A more detailed discussion of CIP uptake is presented in Section 7.

Figure 2.1 Current Town Wide CIP Incentive Programs

Program	Grant Maximum	Loan Maximum
Study & Design Grant	\$20,000	n/a
Building Façade & Signage	\$10,000 to \$20,000	\$30,000 to \$40,000
Building Improvement & Renovation	\$10,000 to \$15,000	\$40,000 to \$60,000
Brownfield Tax Assistance	100% of Town & County Taxes	n/a
Energy Efficiency Improvement	\$5,000	\$15,000 to \$20,000
Vacant Building Conversion or Expansion	\$15,000	\$30,000
Tax Increment Equivalent	\$25,000 / year for up to 10 years	\$50,000 / year for up to 10 years
Municipal Fees Grant Equivalent	\$50,000	n/a
Property Enhancement & Improvement	\$15,000	\$45,000
Destination Infrastructure	\$15,000	n/a

Source: Parcel, based on Town Wide Revitalization CIP (January 2021).

3. Geographic & Demographic Considerations

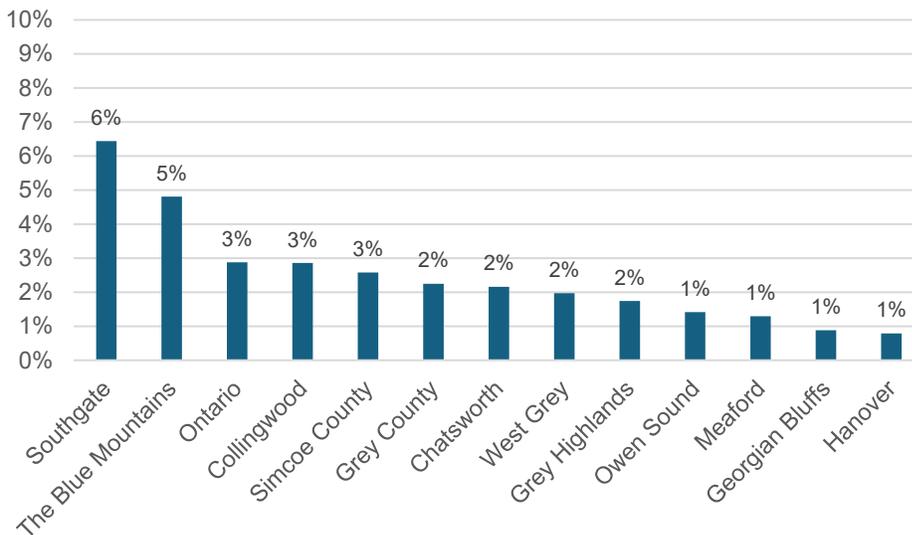
Location & Population

The Town of The Blue Mountains is a lower-tier municipality located in Grey County. Geographically, TBM is located between the Town of Collingwood and Municipality of Meaford.

The population of TBM was approximately 11,200 in 2024, representing a 14% increase since the 2021 Census. Overall, TBM is one of the fastest growing municipalities in Grey County and Simcoe County, as well as the province of Ontario.

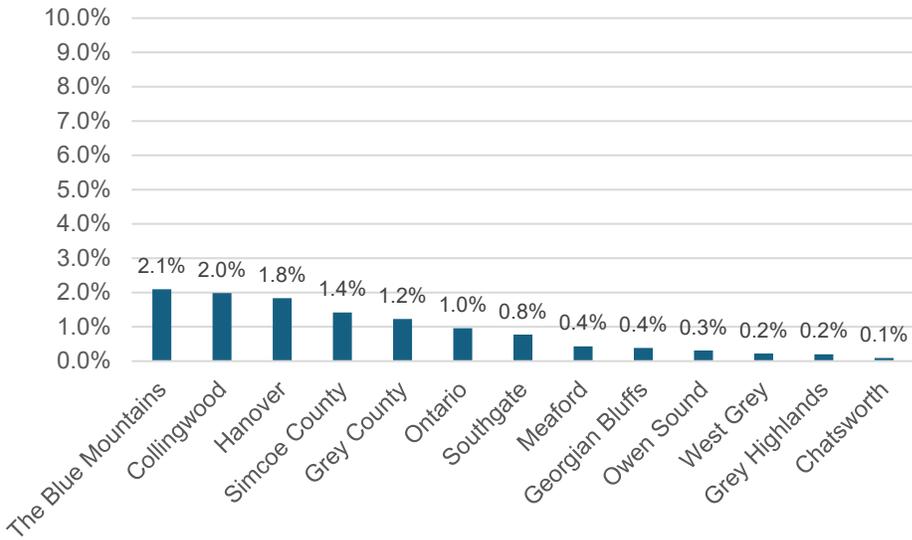
Looking forward, TBM is projected to grow the fastest of all Grey County municipalities, reaching a population of 16,300 by 2046. This population growth, and population growth in the surrounding area, will provide a growing economic base for TBM. Population growth will support the employment based in the Town, specifically businesses serving the local population and tourists.

Figure 3.1: Annual Population Growth 2021 to 2024



Source: Parcel, based on Statistics Canada Table 17-10-0155-01 and Table 17-10-0152-01.

Figure 3.2: Projected Annual Population Growth 2024 to 2046

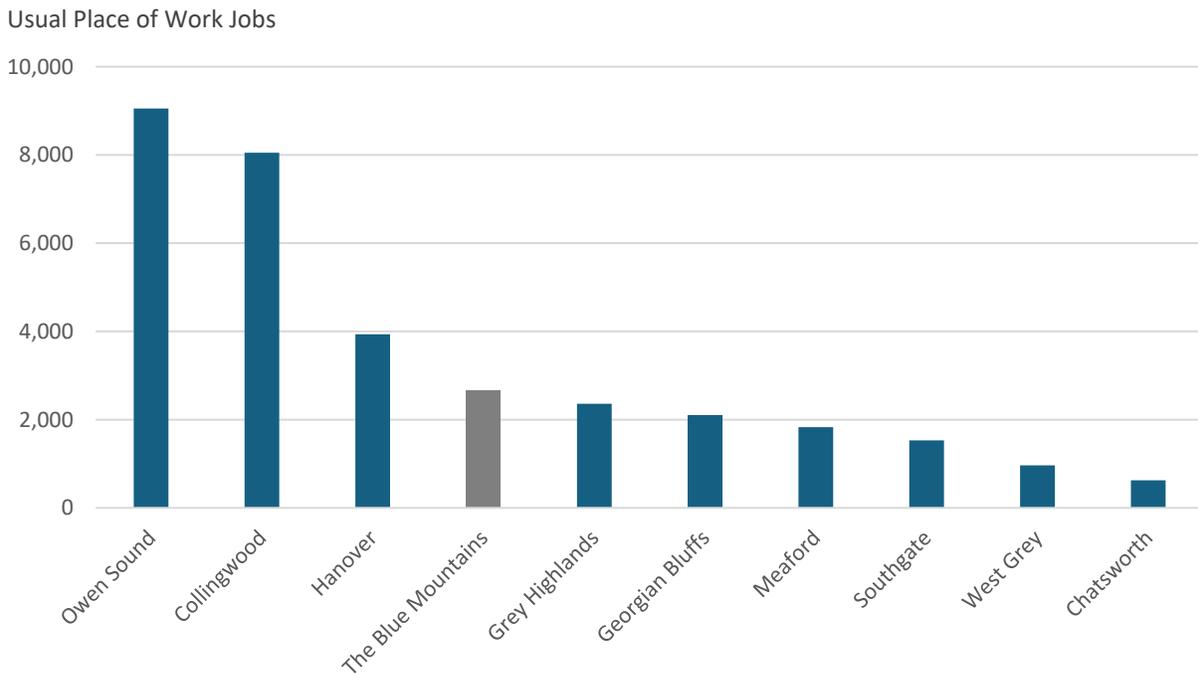


Source: Parcel, based on County of Gret Growth Management Strategy – Update 2021, Simcoe County Growth Forecasts and Land Needs Assessment (March 31, 2022), and Ontario Ministry of Finance Population Projections.

Employment

However, though growing, TBM is and will continue to be a smaller employment centre than neighbouring Collingwood and nearby Owen Sound, both of which have significantly more jobs and non-residential space than TBM, as shown in Figure 3.3. These two larger municipalities are likely to remain the major economic hubs for the region and compete with TBM for business development.

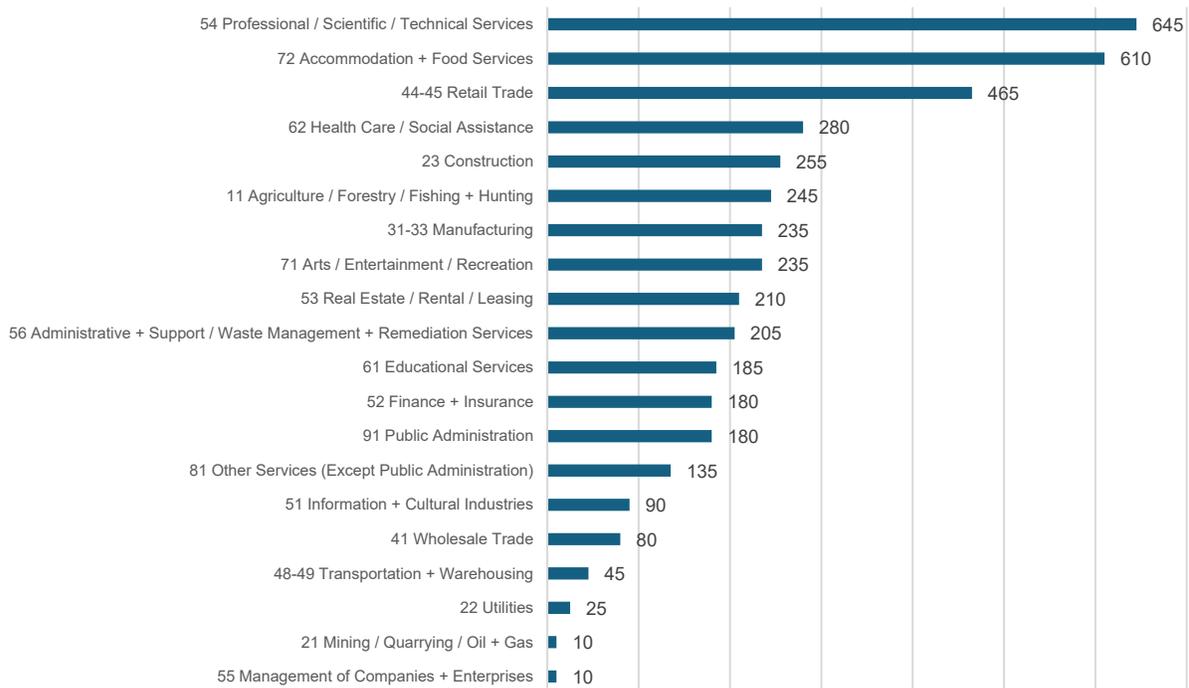
Figure 3.3: Usual Place of Work Employment, 2021



Source: Parcel, based on 2021 Census of Canada.

Within TBM, Professional, scientific, and technical services (15% of jobs); accommodation and food services (14% of jobs); and retail trade (11% of jobs) constitute the largest employment sectors. There may be opportunities to incentivize the creation of space that supports/strengthens existing sectors through the CIP, subject to the economic development goals of the municipality.

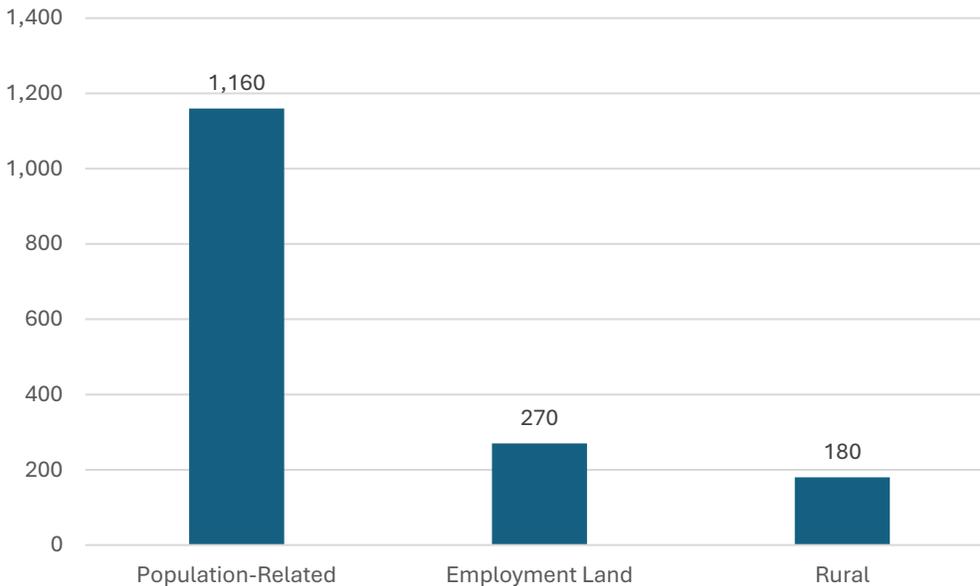
Figure 3.4: Jobs in The Blue Mountains by NAICS Code (2021)



Source: Parcel, based on Statistics Canada Table 98-10-0491-01.

In addition to existing employment in TBM, the *County of Grey Growth Management Strategy – Update 2021* (the “2021 GMS”) also prepares employment forecasts to 2046. As shown in Figure 3.5, the Town is anticipated to add 1,610 jobs between 2021 and 2046, with the population-related¹ sector accounting for nearly 3 in every 4 new jobs (72%).

¹ Population-related employment refers to employment that primarily serves permanent and seasonal local residents.

Figure 3.5: TBM Forecast Employment Growth, 2021-2046

Source: Parcel Based on County of Grey Growth Management Strategy – Update 2021

Town of The Blue Mountains Sector Profile Report

A Sector Profile Report (November 2023)² identified six (6) key sectors in TBM based on size and economic impact: **tourism; agriculture; retail trade; manufacturing; construction/development; and professional services**. These sectors are broadly consistent with the largest employment sectors by jobs in TBM presented in Figure 3.4³. Key findings from the Sector Profile Report are presented below.

- **Number of Jobs**

Tourism (1,784 jobs) and construction/development (1,190 jobs) made up the greatest number of jobs, while professional services saw the greatest job growth between 2012 and 2022 (+113%). Manufacturing jobs declined over this same period (-12%) while agricultural jobs were generally stable (-3%).

- **Location Quotients⁴**

Tourism (2.87), agriculture (1.63), construction/development (1.60), and professional services (1.27) all had location quotients (“LQs”) above 1.25, indicating a higher concentration of these sectors in TBM compared to Ontario.

² Prepared by McSweeney & Associates

³ Number of jobs differs between Statistics Canada data and Sector Profile Report likely due to different data sources and methodology.

⁴ Location quotients compare the share of jobs in a local area to the share of jobs in a larger reference geography (e.g., provincial, federal). Industries with LQs greater than 1.0 represent a higher concentration of jobs than in the reference geography and suggest specialization. Industries with LQs lower than 1.0 represent a lower concentration of industry jobs than the reference geography.

However, LQs for tourism (-20%) and agriculture (-14%) both declined since 2012, as did manufacturing (-27%). The Report notes the decrease in LQ for tourism is likely due to higher growth in other sectors, not necessarily due to decline in the tourism sector.

- **Number of Businesses**

There were 700 new businesses in TBM in 2022 compared to 2012. The number of construction/development (+180%) and professional services (+159%) businesses more than doubled. Agricultural businesses (+18%) grew the least.

- **Annuals Sales & Exports**

The construction/development (\$173.6M), tourism (\$170.0M), and manufacturing (\$148.0M) sectors generated the greatest amount in sales and are important economic drivers in the municipality.

Figure 3.6: Number of Jobs

Industry	Jobs (2022)	Job Change (2012 to 2022)	% Change (2012 to 2022)
Tourism	1,784	74	4%
Construction/Development	1,190	532	81%
Professional Services	710	376	113%
Retail Trade	548	110	25%
Manufacturing	258	-46	-12%
Agriculture	234	-6	-3%

Source: Parcel, based on Town of The Blue Mountains Sector Profile Report (November 2023).

Figure 3.7: Location Quotients

Industry	LQ (2022)	LQ (2012)	% Change (2012 to 2022)
Tourism	2.87	3.59	-20%
Agriculture	1.63	1.90	-14%
Construction/Development	1.60	1.23	30%
Professional Services	1.27	0.91	40%
Retail Trade	0.86	0.83	4%
Manufacturing	0.46	0.63	-27%

Source: Parcel, based on Town of The Blue Mountains Sector Profile Report (November 2023).

Figure 3.8: Number of Businesses

Industry	# of Businesses (2022)	# Businesses Change (2012 to 2022)	% Change (2012 to 2022)
Construction/Development	855	550	180%
Professional Services	293	180	159%
Tourism	164	97	59%
Agriculture	127	19	18%
Retail Trade	111	36	48%
Manufacturing	47	15	47%

Source: Parcel, based on Town of The Blue Mountains Sector Profile Report (November 2023).

Figure 3.9: Annual Sales & Exports

Industry	Sales (2022)	Exports (2022)
Construction/Development	\$173.6M	\$69.3M
Tourism	\$170.0M	\$132.3M
Manufacturing	\$148.0M	\$115.8M
Agriculture	\$86.0M	\$63.0M
Professional Services	\$76.2M	\$49.2M
Retail Trade	\$29.1M	\$13.5M

Source: Parcel, based on Town of The Blue Mountains Sector Profile Report (November 2023).

4. Macroeconomic Conditions

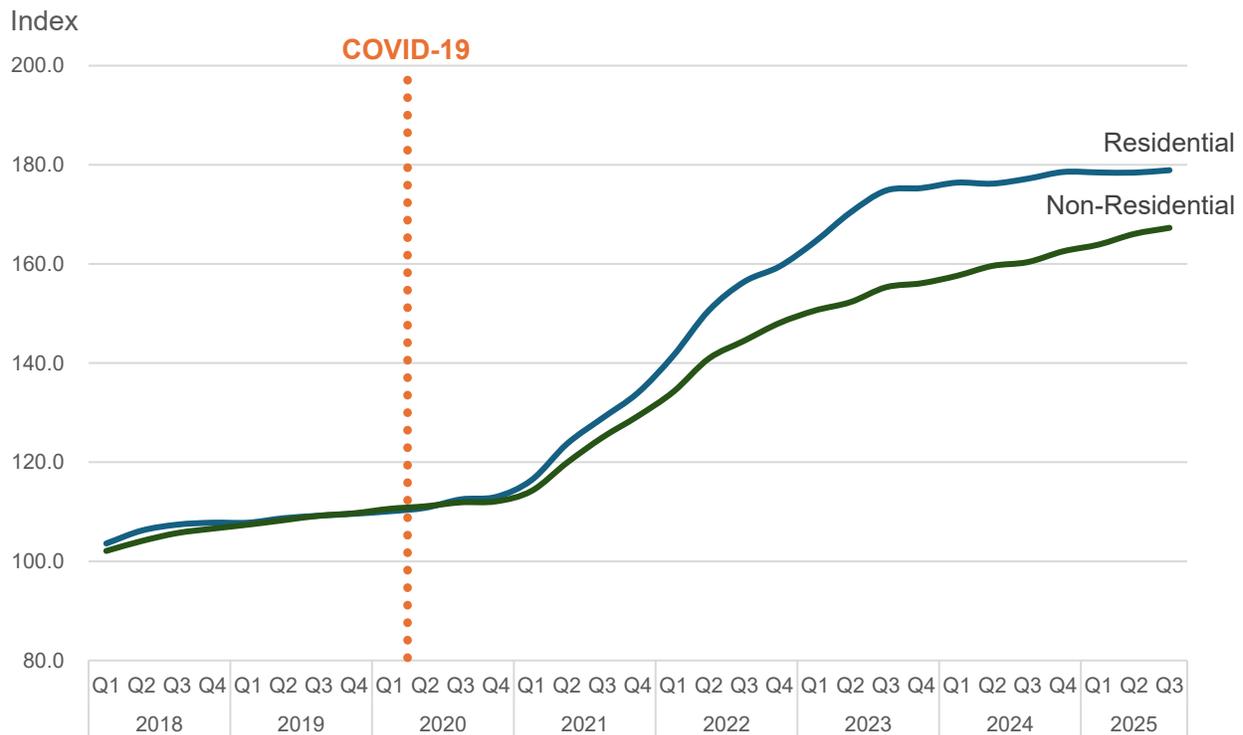
Construction Costs

Rapid increases in construction costs during and immediately following the COVID-19 pandemic (approximately between Q1 2020 and Q2 2022) have created a challenging development environment (see Figure 4.1). Non-residential construction costs have increased 50% and high-rise residential construction costs have increased 62% and since the beginning of the pandemic (i.e., Q1 2020).

Higher non-residential construction costs make it difficult to build new non-residential space. Additionally, challenging *residential* conditions make it difficult to build housing to accommodate residents required to support non-residential space.

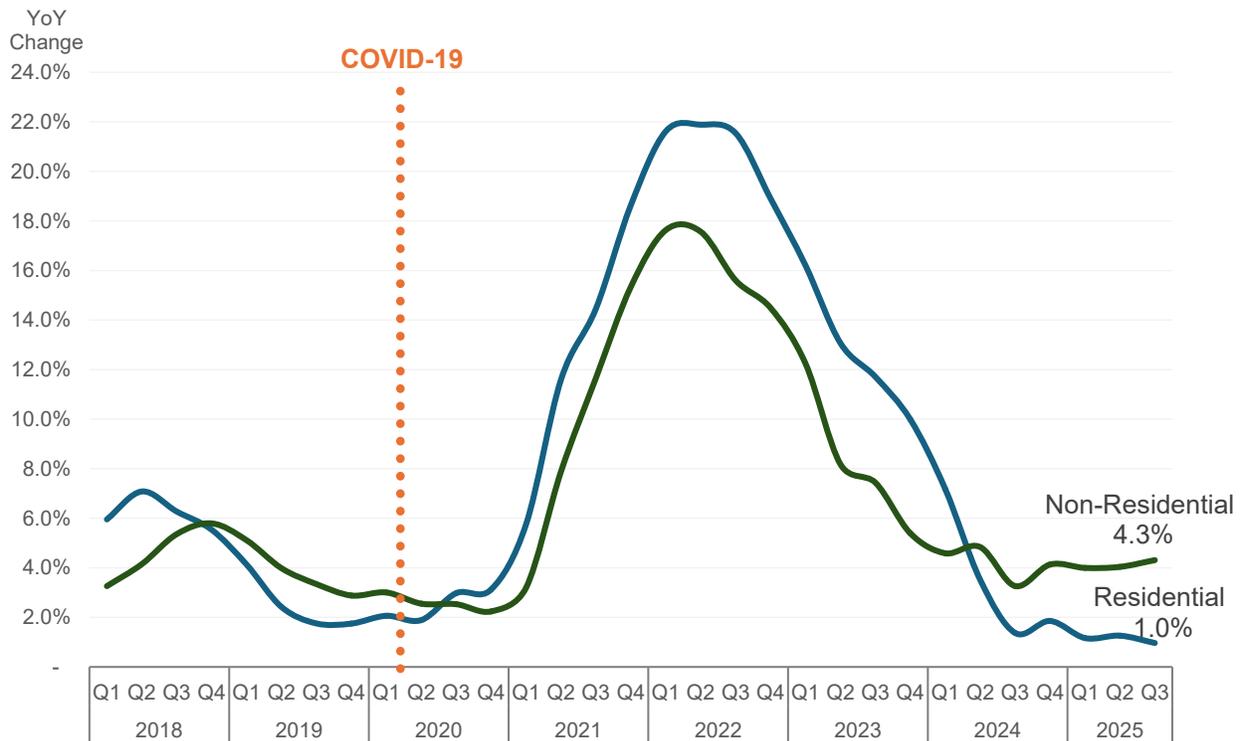
Construction costs remain high today because of increases over the COVID-19 pandemic, inflation, labour shortages, as well as American tariffs imposed on steel and aluminum. However, annual rate of growth in construction costs have returned to pre-pandemic levels (see Figure 4.2), though non-residential growth remains higher than residential.

Figure 4.1: Historical Construction Price Index (Toronto)



Source: Parcel, based on Statistics Canada Building Construction Index (BCPI) data (as of Q3 2025).

Figure 4.2: Historical Year-Over-Year Change in Construction Costs (Toronto)



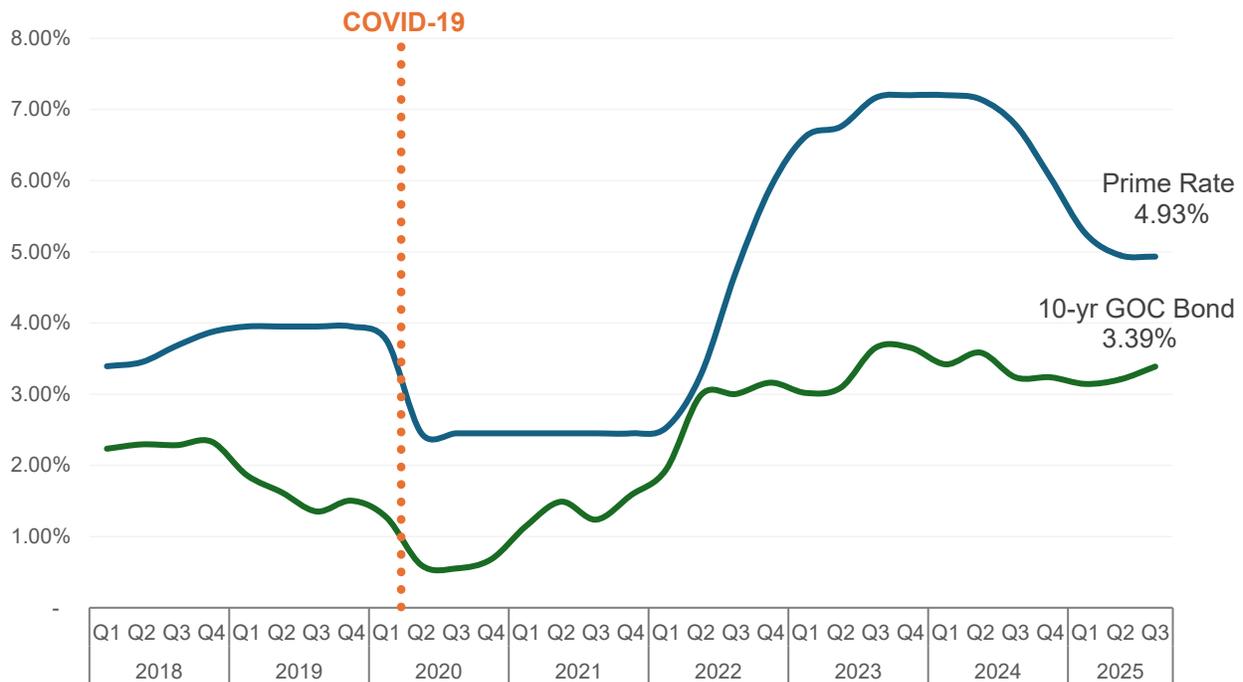
Source: Parcel, based on Statistics Canada Building Construction Index (BCPI) data (as of Q3 2025). 'Residential' based on the High-rise Apartment index. Percentages expressed based on a compound annual growth rate (CAGR).

Interest Rates

Following an extended period of notably low interest rates prior to the COVID-19 pandemic, recent years have marked a period of notable adjustment, as government announcements plotted rates up to approximately 7+% as of 2024 (see Figure 4.3). However, interest rates have begun to stabilize and subsequently decrease, starting mid 2024.

In conjunction with the capital costs associated with developing new real estate, interest rates can have significant impacts on financing (i.e., subject to the amount of equity available for a given project and/or the amount required to be financed via debt / loans) as construction loans are tied to the existing Prime Rate.

Figure 4.3: Change in Prime Rate and 10-Year GOC Bond Rate (2018 to Q3 2025)



Source: Parcel, based on Bank of Canada Data (as of Q3 2025).

Overall, macroeconomic conditions that have led to higher development costs show why the incentives that could be provided through a CIP are important in stimulating new development.

5. Non-Residential Assessment

Existing Inventory

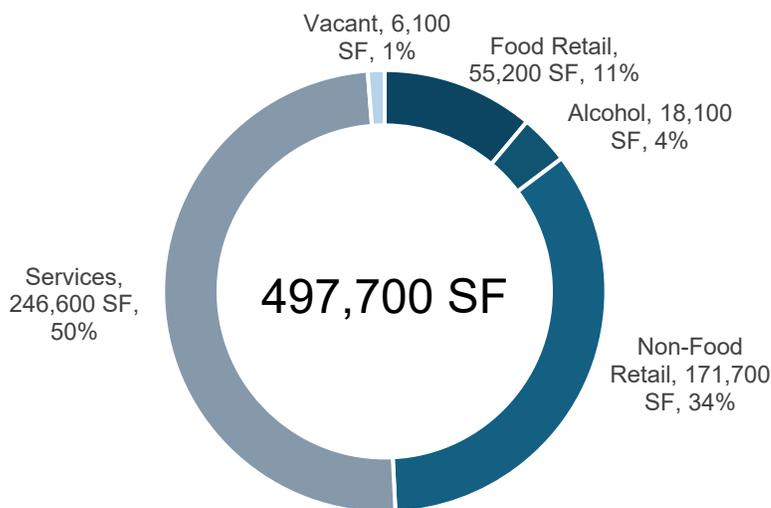
A desktop inventory of existing retail and service commercial space in the Town was conducted in November 2025. Focusing on the key population centres in the Town, the local commercial landscape is primarily characterized by:

- Small-scale “main street” type retail made up of independent businesses (Thornbury and Clarksburg);
- Roadside retail establishments along Highway 26;
- Blue Mountain Village; and,
- Some large format commercial in Thornbury (Foodland, LCBO, etc.).

Overall, the Town is estimated to contain some 497,000 square feet (“SF”) of existing retail and service-based commercial space, including:

- 245,000 SF of retail uses, including food retail, alcohol, and non-food retail;
- 246,600 SF of services; and,
- 6,100 SF of vacant space.

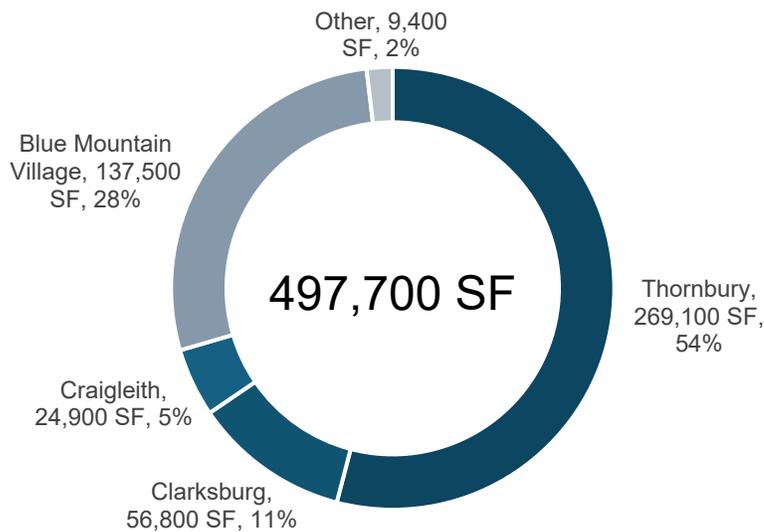
Figure 5.1: Existing Non-Residential Inventory by Category



Source: Parcel, based on desktop research completed in November 2025.

Based on the foregoing, we estimate **commercial vacancy in the Town is approximately 1%**, which is below a healthy vacancy rate (between 4% to 6% depending on context and location) and could be an indicator of unmet demand in the municipality.

Additionally, we note that approximately 28% of retail / service commercial space (137,500 SF) is located in Blue Mountain Village. This non-residential space is more likely to serve seasonal residents and tourists rather than full-time residents, though it may serve some Craigeith residents due to its proximity.

Figure 5.2: Existing Non-Residential Inventory by Location

Source: Parcel, based on desktop research completed in November 2025.

Proposed Inventory

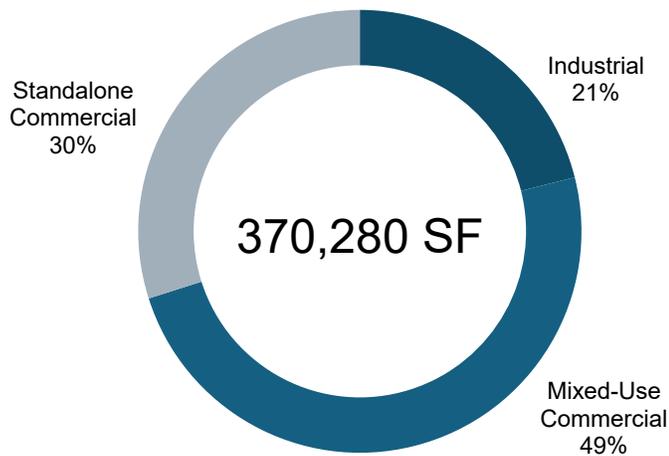
There is approximately **370,300 SF of non-residential space** proposed in TBM based on current development applications at time of reporting. Approximately 80% is commercial uses, either as part of mixed-use residential developments (49%) or standalone commercial buildings (30%). The majority of proposed commercial space is in Blue Mountain Village (52%) and Craigleith (34%) to support significant residential and resort development in these areas. However, commercial space in these locations is less accessible for population centres in the west of the municipality, including Thornbury.

Removing proposed commercial space in Blue Mountain Village, **139,755 SF of commercial space is proposed** elsewhere in TBM, 70% in Craigleith, 25% in Thornbury, and the remaining 5% in Clarksburg and rural areas.

Proposed industrial uses are limited to the Thornbury Industrial Park in Thornbury.

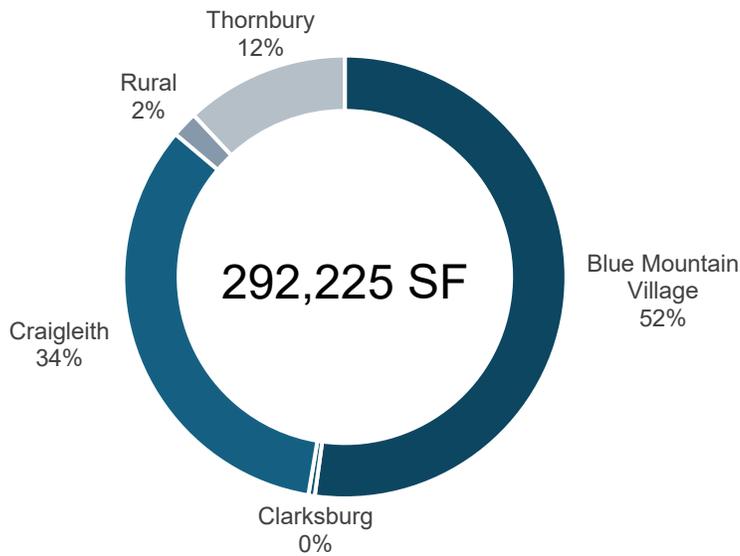
We note that many of these proposed projects may have lengthy development timelines based on current market conditions and servicing constraints and are unlikely come online for several years.

Figure 5.3: Proposed Non-Residential Inventory by Type

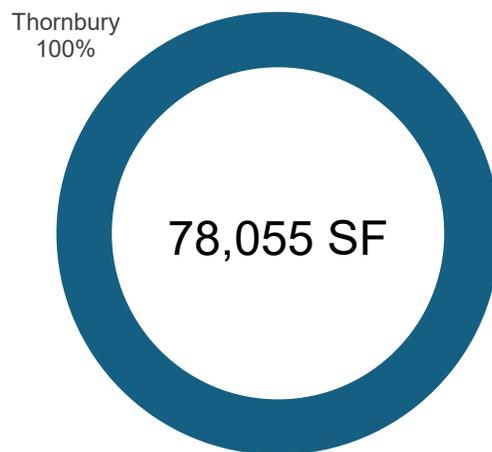


Source: Parcel, based on The Blue Mountains Planning & Development Projects database (accessed November 2025).

Figure 5.4: Proposed Commercial Inventory by Location



Source: Parcel, based on The Blue Mountains Planning & Development Projects database (accessed November 2025).

Figure 5.5: Proposed Industrial Inventory by Location

Parcel, based on The Blue Mountains Planning & Development Projects database (accessed November 2025).

Warranted Commercial Space

To further refine these baseline market observations, a high-level per capita market demand assessment has been undertaken by Parcel to assess whether there is a pre-existing surplus or shortage of commercial space in the Town⁵.

Based on a 2024 population of 11,200 residents and existing inventory, there is approximately **42.9 SF of commercial space per resident**, excluding vacant space. This amount of commercial space suggests there is an appropriate amount of commercial space for the existing population when Blue Mountain Village is included. However, as previously noted, commercial space in Blue Mountain Village is more likely to serve seasonal residents and tourists compared to full-time residents. If Blue Mountain Village is excluded, SF per resident drops to **30.6 SF**, below the target typically seen in municipalities and suggesting a potential shortfall of commercial space in the municipality.

In terms of future need, a projected 2046 population of 16,140 residents will generate demand for approximately **702,100 SF of commercial space**, representing an **additional 210,500 SF to 348,000 SF** above existing commercial inventory depending on whether Blue Mountain Village is included. Some of this demand will be absorbed by

⁵ A per capita analysis assigns a target square footage per resident to different commercial uses (e.g., grocery, liquor, services). These targets are then multiplied by the total population to calculate the total area demanded for each commercial use. Space surpluses or shortfalls are calculated by comparing the existing square footage of commercial uses to the square footage demand generated by the population.

commercial space in proposed applications, as shown previously in Figure 5.4, assuming these projects come online within this timeframe.

Figure 5.6: Current Commercial Space Compared to Target per Capita

	2024 Population	Commercial SF	SF per Resident	Target SF per Capita
All Inventory	11,200	491,600 SF	43.9 SF	43.5 SF
Excluding Blue Mountain Village	11,200	354,100 SF	31.6 SF	43.5 SF

Source: Parcel, based on Statistics Canada data, desktop inventory, and professional judgement.

Figure 5.7: Future Commercial Space Needs

	Population	Target SF per Capita	Warranted Space	2025 Inventory	Delta
2046 Projected Population	16,140	43.5 SF	702,090 SF	-	-
All Inventory				491,600 SF	210,490 SF
Excluding Blue Mountain Village				354,100 SF	347,990 SF

Source: Parcel, based on Town of The Blue Mountains Official Plan June 2025, desktop inventory, and professional judgement.

Additional Factors Influencing Commercial Demand

Seasonal Resident “Skew”

Notwithstanding the results above, this analysis has not directly considered the impact of seasonal residents and other tourist activities, which would generate additional demand for commercial space.

Vacant Space Uptake (Or Conversion)

The per capita analysis and “warranted” space estimates above do not consider the approximately 6,100 SF of vacant space identified in our inventory. As such, depending on the nature of the commercial required (or desired) in the community into the future, at least a portion of the new demand could be accommodated in this existing space without the need for new construction. However, this would have the impact of reducing a vacancy rate that are already below the rate that is characteristic of a “healthy” commercial environment.

Future of the Retail Industry

The retail sector continues to face a range of unique pressures and challenges that began well before the onset of COVID-19, but have perhaps most acutely manifested themselves throughout and beyond the pandemic (e.g., online retailing/e-commerce; consolidation/blurring of traditionally distinct store categories and the growing prominence of “one-stop shop” retailers; the shift to service-based and experiential retail offerings; the introduction of alternative and often smaller-footprint retail spaces for cost-effectiveness; etc.). These factors continue to result in less overall space required to satisfy the same or similar retail functions as in previous periods of commercial activity.

Need for Industrial Space

The 2021 GMS forecasts growth of an additional 270 Employment Land jobs in TBM between 2021 and 2046. Based on a square foot per worker (“FSW”) employment density of 1,100 SF per employee, this would translate into the need for an additional 297,000 SF of industrial space in the Town by 2046.

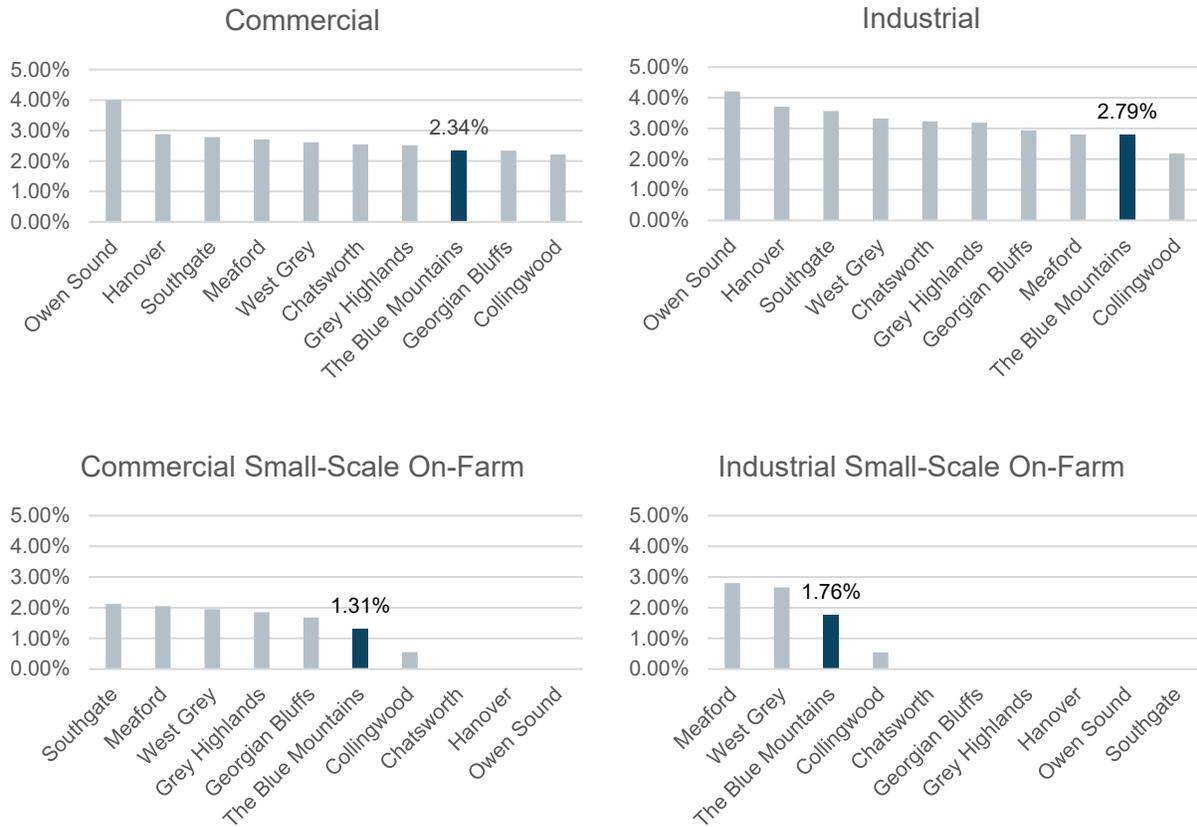
As noted in Figure 5.5, an additional 78,055 SF of industrial space is currently proposed in TBM. This indicates a need for an additional 219,000 SF by 2046 to accommodate forecast employment growth.

6. Competitive Positioning

Tax Rates

Non-residential property taxes (both commercial and industrial) in TBM are low compared to neighbouring municipalities and likely helpful for both attracting new businesses and retaining existing businesses. However, tax rates in TBM are higher than in Collingwood, which is the Town’s primary competitor. Additionally, low rates may be offset by high non-residential development charges (see next section).

Figure 6.1: Comparison of The Blue Mountains Property Tax Rates to Neighbouring Municipalities



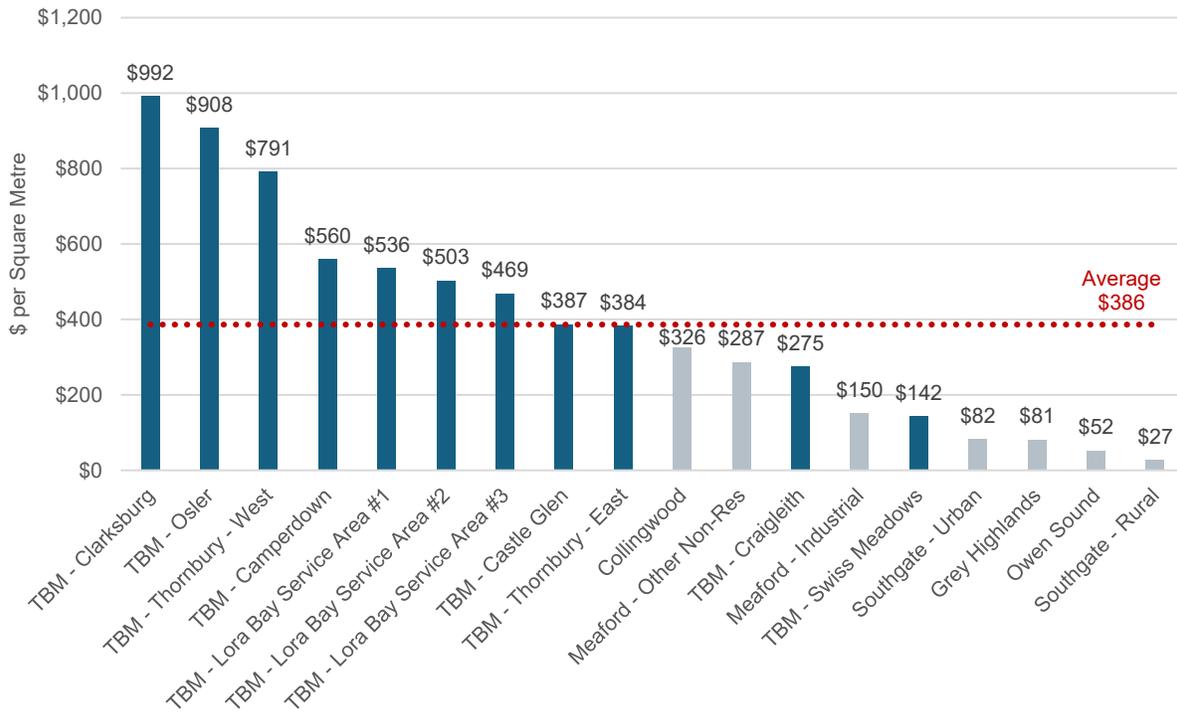
Source: Parcel, based on various municipal property tax bylaws.

Development Charges

Non-residential development charges in TBM are substantially higher than neighbouring municipalities, some of which do not have development charges for the lower-tier municipality. High development charges will impact the financial viability of constructing new non-residential space and will require property owners to charge higher rents to offset these higher costs. This has the impact of discouraging non-residential development in the municipality by creating a high initial barrier to development.

We also note development charges are not uniform across the municipality. Relatively low development charges in Craighleith (\$275 per SM) may, for example, explain the prevalence of non-residential development here compared to other areas of the municipality. Likewise, limited non-residential development in Thornbury may be due, in part, to relatively high development charges (\$791 per SM in Thornbury West and \$384 per SM in Thornbury East).

Figure 6.2: Comparison of The Blue Mountains Non-Residential Development Charges Per Square Metre to Neighbouring Municipalities



Source: Parcel, based on various municipal development charge bylaws.

Rents

Commercial asking rents are lower in TBM compared to neighbouring municipalities. While this would suggest a competitive advantage, we caution that these rents are based on limited active listings at time of reporting as well as limited non-residential inventory in TBM overall. Additionally, the low vacancy rate (3%) identified in Section 5 suggests rents for current commercial and office tenants are likely higher than asking rents as low vacancy typically puts upward pressure on rents. We also note that relatively low asking rents could be a barrier to constructing new commercial space in TBM, as high construction costs and development charges would negatively impact the financial viability of development. Office asking rents are higher than in neighbouring municipalities, however, again, this is based on a single active listing and not necessarily indicative of office space elsewhere in TBM.

We also note a large spread between minimum and maximum rents per square foot (“\$PSF”) in the neighbouring municipalities, likely due to variations in unit age, quality, and location.

Commercial

Of the five (5) active commercial listings, four (4) are for units in a proposed commercial development at Arthur Street West and Victoria Street South asking for \$12 per square foot (PSF) in rent. The fifth commercial listing is for a unit at the south end of the Downtown Area on Louisa Street East asking for \$25 PSF. Average rents are lower than those in Collingwood and Owen Sound, though comparable to rents in Meaford.

Office

There was one (1) active office listing on Bruce Street South asking \$28.1 PSF, which is higher than average rents in Collingwood and Owen Sound.

Industrial

There were no industrial listings in TBM at time of reporting.

Figure 6.3: Asking Non-Residential Rents (Realtor.ca, November 2025)

Commercial				
	Listings	Average Rent \$PSF	Min. Rent \$PSF	Max. Rent \$PSF
TBM - Thornbury	5	\$12.5 PSF	\$12.0 PSF	\$25.0 PSF
Collingwood	7	\$20.2 PSF	\$15.0 PSF	\$60.0 PSF
Meaford	2	\$12.0 PSF	\$10.5 PSF	\$22.2 PSF
Owen Sound	18	\$17.7 PSF	\$7.8 PSF	\$48.0 PSF

Office				
	Listings	Average Rent \$PSF	Min. Rent \$PSF	Max. Rent \$PSF
TBM - Thornbury	1	\$28.1 PSF	\$28.1 PSF	\$28.1 PSF
Collingwood	8	\$20.6 PSF	\$11.0 PSF	\$38.8 PSF
Meaford	-	-	-	-
Owen Sound	21	\$23.4 PSF	\$12.0 PSF	\$39.6 PSF

Industrial				
	Listings	Average Rent \$PSF	Min. Rent \$PSF	Max. Rent \$PSF
TBM - Thornbury	-	-	-	-
Collingwood	1	\$19.1 PSF	\$19.1 PSF	\$19.1 PSF
Meaford	1	\$10.5 PSF	\$10.5 PSF	\$10.5 PSF
Owen Sound	4	\$7.6 PSF	\$7.0 PSF	\$20.7 PSF

Source: Parcel, based on Realtor.ca listings (accessed November 25, 2025).

7. CIP Uptake

There have been 36 applications for Town Wide CIP programs from 2023 through to the Fall 2025 intake period. Of these, 18 applications have been approved, six (6) have been denied or forfeited, three (3) are currently in progress, and nine (9) are “To Do” (i.e., the most recent applications from the Fall 2025 intake). Of the completed applications, 75% have been approved and CIP funding has totalled 44% of the total project costs.

Within the Town Wide Revitalization CIP, three incentive programs constituted almost 80% of all CIP applications⁶: **building improvement and renovation (32%)**, **building façade and signage grant (28%)**, and **property enhancement and improvement (17%)**. The remaining 20% of applications were divided between four programs (**energy efficiency improvement (8%)**, **destination infrastructure (8%)**, **municipal fees grant equivalent (5%)**, and **vacant building conversion or expansion (3%)**). Three programs received no applications (**study and design grant program**, **tax increment equivalent program**, and **brownfield tax assistance program**).

Figure 7.1: Status of Town Wide CIP Applications (2023 to Fall Intake 2025)

Application	#	%	Approved Funding	Total Project Costs	Approved Funding % of Total Project Costs
Approved	18	75%	\$200,078	\$454,298	44%
Denied	3	13%	\$0	\$168,289	0%
Forfeited	3	13%	\$22,791	\$140,509	16%
Sub-Total	24	100%			
In Progress	3	-			
To Do	9	-			
Grand Total	36	-			

Source: Parcel, based on Community Improvement Plan Data November 12, 2025.

⁶ Proponents can apply for more than one CIP program under a single CIP application. This analysis considers individual CIP programs across all applications.

Figure 7.2: Town Wide CIP Program Applications & Status (2023 to Fall Intake 2025)

Program	Applications	% of Applications	Approved	% Denied/Forfeited	%	In Progress/ To Do	%	
Building Improvement & Renovation Program	21	32%	9	43%	5	24%	8	38%
Building Façade & Signage Grant Program	18	28%	9	50%	1	6%	7	39%
Property Enhancement & Improvement Program	11	17%	4	36%	1	9%	6	55%
Energy Efficiency Improvement	5	8%	3	60%	-	-	2	40%
Destination Infrastructure	5	8%	1	20%	-	-	4	80%
Municipal Fees Grant Equivalent	3	5%	-	-	-	-	3	100%
Vacant Building Conversion or Expansion	2	3%	1	50%	-	-	1	50%
Study & Design Grant Program	-	-	-	-	-	-	-	-
Tax Increment Equivalent Program	-	-	-	-	-	-	-	-
Brownfield Tax Assistance Program	-	-	-	-	-	-	-	-
Total	65	100%	27	42%	7	11%	31	48%

Source: Parcel, based on Community Improvement Plan Data November 12, 2025.

Agriculture / Agri-Tourism Industries

The Town has expressed desire to use the CIP update to further develop and support its agriculture and agri-tourism industries.

Section 1.3 of the current Town Wide CIP notes the intent of the CIP is to provide incentives to promote and support priority development and revitalization projects in the Town, of which increased value-added agricultural uses, agri-tourism, and facility improvement projects is listed first. Section 2.3 of current Town Wide CIP mentions supporting rural and agricultural areas as one of the main objectives, namely:

- 2.3.24 Encourage private sector investment to enhance the economic vitality of the Town’s rural and agricultural areas
- 2.3.25 Support and strengthen the viability of the Town’s thriving agricultural sector, including agricultural value-added, agri-tourism and facility improvement projects
- 2.3.26 Provide opportunities to facilitate economic diversification within the Town’s rural and agricultural areas

However, rural and agriculture areas are ineligible for certain CIP programs, which are primarily focused on development in existing built-up areas of TBM (e.g., Downtown Area, Harbour Area, Commercial Corridor, etc.):

- Tax Increment Equivalent Program (maximum of \$25,000 per year for 10 years as a grant or \$50,000 per year for 10 years as a loan)
- Municipal Fees Grant Equivalent Program (maximum of \$50,000 as a grant)
- Property Enhancement and Improvement Program (maximum of \$15,000 as a grant or \$45,000 as a loan)
- Destination Infrastructure Program (maximum of \$15,000 as a grant)

In terms of eligible programs, the Vacant Building Conversion or Expansion Program explicitly mentions agri-tourism and is valued at a maximum of \$15,000 as a grant or \$30,000 as a loan. Additionally, the Building Improvement and Renovation and Energy Efficiency Improvement programs explicitly mention rural and agricultural lands. The Building Improvement and Renovation Program is valued at a maximum of \$10,000 as a grant or \$40,000 as a loan⁷, and the Energy Efficiency Improvement Program is valued at maximum of \$5,000 as a grant or \$15,000 as a loan⁸.

There has been limited uptake of CIP programs by agricultural/agri-tourism businesses. Based on CIP data provided by the Town, \$15,000 was approved in 2024 for an agri-tourism business via the Vacant Building Conversion program. A separate application for the Property Enhancement and Improvement Program was denied.

⁷ Maximums increased to \$15,000 as a grant or \$60,000 as a loan if the property is designated under Part IV or Part V of the *Ontario Heritage Act*.

⁸ Maximum increased to \$20,000 as a loan when this program is combined with the Building Improvement and Renovation Program.

Figure 7.3: Town Wide CIP Programs & Agricultural/Rural Lands Eligibility

Program	Agricultural/Rural Eligible?
Study & Design Grant	Yes
Building Façade & Signage	Yes
Building Improvement & Renovation	Yes
Brownfield Tax Assistance	Yes
Energy Efficiency Improvement	Yes
Vacant Building Conversion or Expansion	Yes
Tax Increment Equivalent	No
Municipal Fees Grant Equivalent	No
Property Enhancement & Improvement	No
Destination Infrastructure	No

Source: Parcel, based on Town of The Blue Mountains Town Wide Revitalization CIP (January 2021).

8. Key Observations

Based on the foregoing analysis, we note the following key observations that may help to inform updates to the CIP:

Key Observations	Details
1. Geographic & Demographic Considerations	<p>Though projected to grow faster than any other Grey County municipality, TBM is likely to continue to be a secondary economic/commercial hub due to its proximity to established employment areas in nearby Collingwood and Owen Sound.</p> <p>Rather than work against this condition, TBM has an opportunity to leverage its own unique identity based on its key economic sectors, as well as benefit indirectly from continued growth elsewhere in Grey County, Simcoe County, and the province.</p> <p>Specifically, updates to the CIP could explore opportunities to further support tourism,</p>

	agriculture, construction/ development, professional services, retail trade, and manufacturing.
2. Macroeconomic Conditions	Macroeconomic conditions, namely high construction costs and interest rates, are making new development challenging across municipalities in Ontario. While these macroeconomic factors are out of the control of TBM, CIP programs that reduce municipal development costs elsewhere may help to incentivize new development. That said, residential and non-residential development may be limited in the short term regardless of CIP programs.
3. Commercial Inventory & Vacancy	<p>The current commercial inventory of TBM excluding Blue Mountain Village may be undersized based on current population and a low vacancy rate of 1% could be an indicator of unmet demand in the municipality and a justification for additional commercial space. Additionally, projected population growth to 2046 is estimated to create demand for between 210,500 SF to 348,000 SF of additional commercial space.</p> <p>There is likely an opportunity to design CIP programs to encourage additional commercial space.</p>
4. Competitive Positioning	<p>Tax rates in the TBM are low compared to neighbouring municipalities, however high development charges (DCs) may be an impediment to development.</p> <p>We note current CIP programs do not offer relief on development charges. There may be an opportunity to develop a specific CIP DC program or include DCs as part of the existing Municipal Fees Grant Equivalent Program.</p>
5. CIP Uptake	Recent CIP uptake has been focused primarily on beautification and improvement of existing non-residential buildings/properties rather than net new non-residential development. A review of requirements and funding amounts for programs that incentivize new development may be warranted.

	<p>Additionally, though explicitly prioritized in CIP language, there has been limited CIP uptake by agricultural/agri-tourism proponents, in part because certain CIP programs do not apply to agricultural/rural lands. Expanding CIP programs to these lands may increase uptake.</p>
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