



# Annual Report 2023/2024

---

## Table of Contents

|   |    |
|---|----|
| Annual Report 2023/2024 .....                                 | 1  |
| The Niagara Parks Commission: Our Role & Mandate .....        | 3  |
| The Commissioners .....                                       | 4  |
| A Message from the Chair.....                                 | 5  |
| 10-Year Strategic Plan .....                                  | 9  |
| 2023/2024 Year in Review .....                                | 10 |
| Economic Performance – General Overview.....                  | 16 |
| Economic Performance: Outcome-Based Performance Measures..... | 18 |
| Economic Performance – Risk Analysis .....                    | 22 |
| Business Climate.....   | 33 |
| Niagara Parks Attendance .....                                | 35 |
| Commissioner Remuneration.....                                | 36 |

## **The Niagara Parks Commission: Our Role & Mandate**

Niagara is a region steeped in history and blessed by geography. As steward of one of the world's greatest natural wonders, the Niagara Parks Commission plays a key role in maintaining, protecting and showcasing the grandeur of the Falls, as well as the entire Niagara River corridor, while contributing to the economic growth and success of the Niagara region and Ontario.

As a self-funded agency of the provincial government, Niagara Parks is responsible for the maintenance of 1,325 hectares of parkland, stretching 56 kilometres along the Niagara River corridor from Lake Erie to Lake Ontario.

Our mandate remains the same as it was when the Commission was first established in 1885: to preserve and promote the natural beauty and cultural heritage along the Niagara River corridor for the enjoyment of visitors, while maintaining financial self-sufficiency.

## The Commissioners

|                                       |  |
|---------------------------------------|--|
| <b>April Jeffs, Vice Chair; Chair</b> | Appointed Chair January 31, 2022<br>Term expired April 11, 2024  |
| <b>Barton Maves, Vice-Chair</b>       | Appointed Vice-Chair March 10, 2022<br>Term expired October 12, 2023                                       |
| <b>Graham Coveney, Vice-Chair</b>     | Appointed January 11, 2024<br>Term expires January 10, 2027  |
| <b>April Cotton, Commissioner</b>     | Appointed March 2, 2023<br>Term expires March 1, 2026  |
| <b>Spencer DeWolfe, Commissioner</b>  | Appointed March 4, 2022<br>Term expires March 3, 2025  |
| <b>Natasha DiCienzo, Commissioner</b> | Appointed May 2, 2019<br>Term expires May 1, 2025  |
| <b>Jim Diodati, Commissioner</b>      | (City of Niagara Falls nominee)<br>Appointed February 25, 2015<br>Term expires November 14, 2026           |
| <b>Jessica Friesen, Commissioner</b>  | Appointed April 16, 2020<br>Term expired April 11, 2024  |
| <b>Tom Insinna, Commissioner</b>      | (Regional Municipality of Niagara nominee)<br>Appointed February 9, 2023<br>Term expires November 14, 2026 |
| <b>Dan La Caprara, Commissioner</b>   | Appointed July 13, 2023<br>Term expires July 12, 2026  |
| <b>Wayne Redekop, Commissioner</b>    | (Town of Fort Erie nominee)<br>Appointed February 25, 2015<br>Term expires November 14, 2026               |
| <b>Ted Salci, Commissioner</b>        | Appointed July 9, 2020<br>Term expires July 8, 2026  |
| <b>Erwin Wiens, Commissioner</b>      | (Town of Niagara-on-the-Lake nominee)<br>Appointed February 9, 2023<br>Term expires November 14, 2026      |

## A Message from the Chair

As the recently appointed Chair of the Niagara Parks Commission, it is my pleasure to present the 2023/2024 Annual Report on behalf of the dedicated staff and board members who serve this organization.

Since 1885, Niagara Parks' mandate has remained unchanged – to protect and promote the lands along the Niagara River corridor from Lake Erie to Lake Ontario. As the environmental and cultural stewards of this land, it is our responsibility to protect its natural features and promote our rich heritage, culture and lifestyle, all while contributing to the economic prosperity and success of both the Niagara region and Ontario.

First and foremost, I must commend outgoing Niagara Parks Chair April Jeffs on the fantastic work completed during her tenure as Chair, which included the timeframe covered by this Annual Report (April 1, 2023 to March 31, 2024). I was appointed the new Chair of the Niagara Parks Commission on April 11, 2024, and I look forward to working with all members of the Niagara Parks Board of Commissioners, along with Niagara Parks staff, to continue to build on the momentum and success achieved over the 2023/24 fiscal year.

While fiscal 2023 represented the first time since the pandemic that Niagara Parks was able to complete a full operating season with no public health measures limiting operations, there was a surge in tourism activity and demand in fiscal 2024, culminating in Niagara Parks' most successful financial year to date. Across its revenue generating operations, which includes nature-based attractions, locally sourced restaurants, retail stores, parking facilities, transportation services, golf courses and heritage sites, Niagara Parks generated over \$130 million in 2023/24. When including revenue from all other sources including from agreements with tenant partners Niagara City Cruises and Niagara Adventure Excursions, Niagara Parks ended the year with over \$166 million in generated revenue. This is over \$48 million greater than revenues generated in 2022/23 and \$44 million greater than budget projections.

This success is contributed in part to favourable weather conditions which allowed for an earlier than normal start to the summer season, as well as returning levels of visitation from key markets such as the United States, which previously accounted for 43% of Niagara Parks' generated revenue prior to the pandemic.

While Niagara Parks' generated revenue exceeded pre-pandemic levels, actual visitation levels remained below 2019/20 figures, reflecting a trend seen across the tourism industry and as predicted by Destination Canada. Niagara Parks saw a very welcome return of a large segment of its US market and international markets such as the UK, Germany, France and Mexico have also shown promising signs of return; however, the delayed return of Asian markets has impacted Niagara Parks' full recovery following the pandemic.

As a self-funded organization, Niagara Parks invests its earned revenue to fund its entire operations, from payroll to infrastructure repairs and maintenance, as well as its environmental and cultural stewardship work. Operating expenses for 2023/24 totaled \$119 million, resulting in a surplus before interest and depreciation of \$47.5 million.

The favourable results produced throughout the 2023/24 season have allowed the organization to prioritize investments in its deferred maintenance, which grew significantly during the COVID-19 pandemic as a result of conserving finances and addressing only the most critical repairs. Niagara Parks has an estimated \$360 million in depreciable assets and a list of an estimated \$200 million in deferred maintenance projects.

Based on the results achieved in 2022/23 and the anticipated growth for 2023/24, Niagara Parks invested \$22 million into capital spending in 2023/24 to address repairs and maintenance across its properties, as well as improvements to its guest experiences. Key projects included the replacement of the Black Creek Bridge along the south Niagara Parkway (\$3 million), as well as significant paving work in that area as well (totalling over \$1.8 million). Another major construction initiative was the refresh at our signature attraction, Journey Behind the Falls. Niagara Parks renovated two floors of guest queuing areas within the beloved attraction, adding new interpretation to the space that created a visitor gallery complete with new interpretive signage and digital storytelling that traced the history of Niagara Falls as a tourist destination, including the geological formation of the Falls and Indigenous connections.

In addition to investments into our experiences, Niagara Parks also made some major announcements about upcoming projects that involve the private sector in fiscal 2023/24. In July 2023, Niagara Parks announced the launch of a Request for Proposals (RFP) for a new Visitor Transportation System within Queen Victoria Park to provide better connection for guests between Niagara Parks sites and improve the overall guest experience within the area. The RFP sought innovative and sustainable ideas from the private sector for what the next phase of visitor transportation could look like within Niagara Parks.

In November 2023, Niagara Parks proudly announced the conclusion of the three-stage public procurement process for the redevelopment of one of Niagara Parks' three historic power stations on its property – the Toronto Power Generating Station. Pearle Hospitality, the Ontario-based company behind some of the province's most spectacular hospitality venues such as the Elora Mill Hotel and Spa, was named the successful proponent who will be investing a transformational \$200+million into the redevelopment project. Highlights of their proposed plans include restoring the site from top to bottom, introducing a variety of free indoor and outdoor public viewing areas, as well as establishing Niagara Falls' first and only five-star boutique accommodation, a variety of culinary offerings, a wellness and social spa, museum, art gallery, theatre and much more.

The announcement stated that Niagara Parks had signed a Letter of Intent with Pearle Hospitality, kick-starting the due diligence phase which includes the preparation of a number of studies and assessments. The redevelopment plans, including the spectacular visuals for what the future Toronto Power could look like, generated an overwhelmingly positive response from the public and significant media coverage.

Niagara Parks also received proposals for the redevelopment of its other remaining power station, the Ontario Power Generating Station, as part of the three-stage public procurement process that was launched for both Toronto Power and Ontario Power Generating Stations. Due to the complexity of the building and site, an extended evaluation stage was required for the Ontario Power Generating Station and Niagara Parks remained in the evaluation stage through to the end of fiscal 2024.

In many ways, the 2023/24 fiscal year was a standout year for Niagara Parks. The financial success achieved by the organization has allowed us to prioritize investments to address much-needed repairs and maintenance across our properties, as well as investments into our attractions and guest experiences with the overall goal of driving new and repeat visitation to Niagara Parks and the province. This is the theme established for Niagara Parks' 2024-27 Business Plan and represents the duality of Niagara Parks' mandate to preserve and protect the environmental and cultural heritage of the Niagara River corridor, while growing tourism to Niagara Parks and Ontario.

Additionally, Niagara Parks continued to implement a variety of environmental and cultural stewardship initiatives, working closely with the recently relaunched Niagara Parks Foundation. Through the Toonies for Trees program, in fiscal 2024, over \$32,000 was raised through the Niagara Parks Foundation in support of tree planting at Niagara Parks, allowing for 7,500 trees to be planted across Niagara Parks properties. This meant Niagara Parks was able to exceed its tree planting goals for 2023/24 by 2,500 trees.

Regarding its cultural stewardship responsibilities, Niagara Parks was proud to officially reopen all four of its heritage sites, seven days a week, for the first time since the pandemic in May of 2023. Guests were invited to once again explore pivotal moments in our nation's history all along the Niagara Parkway, starting in the south with Canada's bloodiest battlefield at Old Fort Erie, along the Niagara River north to McFarland House, including the beloved Conservatory Tea Room.

Events such as the Siege of Fort Erie battle reenactment and the Valour and Victory ceremony honouring Indigenous Veterans were held in August and November respectively, along with a special collaboration with Niagara Jazz Festival and their Twilight Jazz & Blues Series in celebration of Black History Month. In February 2024, Niagara Parks' Table Rock House Restaurant transformed into the world's grandest jazz club for an evening exploring Black music history with renowned musician and music educator, Carlos Morgan.

The event is an example of Niagara Parks' approach of partnering with brand-aligned organizations, such as the Niagara Jazz Festival, to host signature public events that both generate revenue and raise the profile of Niagara Parks. Another example of this is Niagara Parks' partnership with the Niagara Grape & Wine Festival as the host venue of the Niagara Icewine Festival's Cool As Ice Gala at the Niagara Parks Power Station held in January 2023.

As an agency of the Ministry of Tourism, Culture and Gaming, we are committed to growing tourism to the Niagara region and to the province. Serving a dual mandate of environmental and cultural stewardship along with tourism has translated into providing our guests with unique ways to authentically experience the Falls and the entire Niagara River corridor. From our nature-based attractions to our locally sourced restaurants that celebrate Niagara's renowned food and beverage sectors; our heritage sites that celebrate our culturally diverse history to our lush parks, gardens, trails and green spaces, Niagara Parks truly offers something for everyone.

As the newly appointed Chair of the Niagara Parks Commission, I have been tasked with exercising a broader vision toward projects of all kinds, understanding how the decisions we make fit into decisions made at all levels of government and the potential benefits and impacts for the people of Ontario. I am grateful to Premier Ford for placing his trust and faith in me to lead this Board of Commissioners and apply my keen business sense toward current and upcoming projects, while also maintaining environmental protection as the core of what we do as an organization.

I look forward to continuing this positive momentum for our organization into 2024/25 as we anticipate yet another strong year for tourism at Niagara Parks.

Bob Gale  
Chair  
Niagara Parks Commission



# 10-Year Strategic Plan

**Vision:** Niagara Parks is guided by its board-approved 2018-2028 Strategic Plan. The vision of this plan has Niagara Parks striving to become:

- An innovative example of sustainability as the environmental and cultural stewards of the Niagara River corridor;
- A welcoming, accessible and inspiring place offering world-class experiences;
- A source of national pride and identity; as well as,
- One of the most spectacular parks in the world.

**Themes:** In order to fully embody the vision and direction of Niagara Parks, the 10-Year Strategic Plan presents four themes to direct Niagara Parks' efforts, which were exemplified by the work undertaken by Niagara Parks over the course of the 2023/24 year.

These themes are:

- Preserving and showcasing our rich heritage, culture and lifestyle;
- Leveraging and activating our natural wonders and iconic experiences;
- Supporting a dynamic business environment with a focus on attracting investment, connection to local communities, job creation and economic well-being; and,
- Taking experiences, services and hospitality to the next level.

## **2023/2024 Year in Review**

### **Preserving and showcasing our rich heritage, culture, and lifestyle**

#### **June 2023 - National Indigenous History Month**

Niagara Parks recognized June as National Indigenous History Month with special events, curated programming, and activations to celebrate the history, resilience, and diversity of First Nations, Inuit, and Métis people in Canada. "Beyond the Mist," a panel discussion hosted by the Niagara-on-the-Lake Museum in partnership with Niagara Parks, provided a deep exploration of Niagara's unique Indigenous history. The announcement of a new Indigenous Niagara Heritage and Legacy Guided Tour at Niagara Parks was made, offering groups, corporate outings, and students the chance to learn about Indigenous culture and their significant roles in Canada's history and modern times. As part of the renovations to create an all-new visitor queuing area at Niagara Parks' Journey Behind the Falls attraction, a stunning reproduction of an oil on canvas painting by Indigenous artist Oren Lyons (Joagquicho), titled Maid of the Mist and the Thunder Beings, served as a centerpiece of the new exhibits, which were unveiled later that month and included content on the geological formation of the Falls, Indigenous history and connections, as well as the origins of tourism.

#### **August 2023 – Annual Siege of Fort Erie Battle Re-enactment**

In August, Niagara Parks' National Historic Site Old Fort Erie hosted its annual Siege of Fort Erie Battle Re-enactment weekend, Canada's largest battle re-enactment event. The 39<sup>th</sup> annual siege of Fort Erie saw hundreds of re-enactors create an authentic military encampment that vividly portrayed how this site became known as Canada's bloodiest battlefield. Activities included multiple live battle re-enactments, the Mini Militia kids experience, historic weapons demonstrations, and live skirmishes. The original Old Fort Erie was built in 1764 as a supply depot and a port for ships to transfer people and merchandise to the Upper Great Lakes. In addition to its role during the War of 1812 and during the Fenian Raids in 1866, the Old Fort also acted as a supply base for British troops during the American Revolution. The annual event helps to activate the site for guests of all ages, offering a glimpse into what life would have been like during the War of 1812.

#### **September 2023 – Majestic Monarchs Preservation**

During the popular Majestic Monarchs event, guests have the unique opportunity to participate in the international research tracking program, Monarch Watch. At this event in September 2023, with the help of Niagara Parks' staff, guests tagged and released endangered butterflies to track their migration patterns as they embarked on their remarkable journey south toward Mexico. Attendees were welcomed to the free educational and immersive event at the Niagara Parks Butterfly Conservatory, where they discovered the incredible migratory journey of the monarch butterfly. Participants also learned how to contribute to conservation efforts in their own communities. As essential pollinators, monarch butterflies play a crucial role in many ecosystems' survival. Recently, they were reclassified from a species at risk to an endangered species. Each tagged butterfly from this event could be tracked through the University of Kansas tracking website, Monarch Watch, allowing researchers to monitor their migration, assess their survival in the environment, and inform conservation actions.

## **September 2023 – Panel Unveiling for National Day for Truth and Reconciliation**

In honour of National Day for Truth and Reconciliation, Niagara Parks hosted a ceremony to unveil a new interpretive panel installed on the grounds of the Niagara Parks Power Station. The new interpretive panel commemorates the events that took place at the site in 2022, including the historic meeting of Orange Shirt Day Founder and residential school survivor Phyllis Webstad and Prime Minister Justin Trudeau at a sunrise ceremony. The grounds were also the site of a public concert event, *Treaty: A Reconciliation Revelry*, produced by Tim Johnson, Senior Advisor, Heritage and Legacy for Niagara Parks.

## **October 2023 – Community Tree Planting Day**

Niagara Parks, in partnership with the Niagara Parks Foundation, hosted an all-ages community tree planting event on Saturday, October 28, bringing all generations together in pursuit of a greener future. This free, family-friendly event offered a unique opportunity for area residents to contribute to Niagara Parks' annual goal of planting 5,000 trees across its properties to achieve 35% canopy cover by 2028, as a part of its Urban Forestry Management Strategy. Niagara Parks staff provided the trees, tools and guidance to enable participants to plant their trees. The event was a great success with over 400 trees planted by 100 volunteers from the local community and beyond. Through support from events like this, along with the Toonies for Trees program through the Niagara Parks Foundation, Niagara Parks was able to exceed its tree planting goal for 2023 by 2,500 trees.

## **Leveraging and activating our natural wonders and iconic experiences**

### **May 2023 - Coronation of King Charles III**

Niagara Parks joined the Province in celebrating the Coronation of His Majesty King Charles III by offering free admission to the Floral Showhouse and Butterfly Conservatory. That evening, Niagara Falls was illuminated in emerald green in celebration of the royal coronation.

### **July 2023 – New Visitor Gallery at Journey Behind the Falls**

Over the winter months, Niagara Parks completed renovations of the two floors of queuing areas within its most popular attraction, Journey Behind the Falls, adding all new flooring, paint, fixtures and lighting installations that completely transformed the space. The refresh also included a new visitor gallery with exhibits that take guests on a journey through time, from the formation of the Falls to the first Indigenous inhabitants and the rise of Niagara Falls as a tourist destination. Accompanied by digital storytelling and incorporating Niagara Parks' impressive archival imagery collection, the exhibits begin with the geological formation, tracing the Falls back to their original location near Queenston, Ontario, with the help of a large-scale 3D map, created in consultation with input from geological historians. A centrepiece of the new space is a stunning reproduction of an oil on canvas painting by Indigenous artist and icon Oren Lyons, entitled *The Maid of the Mist and the Thunder*.

Beings. The painting is accompanied by interpretive content that explains the story that inspired the work, the piece itself, as well as information about the artist.

## **November 2023 to January 2024 – Winter Festival of Lights**

The 41st annual Winter Festival of Lights commenced in November 2023, marking the beginning of the winter season filled with millions of dazzling lights along the Niagara Parkway, Queen Victoria Parkway, Dufferin Islands and across Niagara Falls. This beloved tradition invites guests to immerse themselves in the beauty of illuminated Niagara Parks, while serving to attract visitation during the shoulder season.

## **January 2024 – Cyclamen Display at Floral Showhouse**

The Cyclamen Display returned to the historic Niagara Parks Floral Showhouse. This popular winter floral show captivated visitors with a stunning display of Cyclamen varieties, showcasing the beauty and diversity of these unique plants. The show featured a breathtaking array of vibrant burgundy, pink, and magenta Cyclamen in the North, and Centre Houses, creating an uplifting experience for the senses. The theme, "The Heart of Resilience," highlighted the plant's enduring qualities and resilience. Guests were invited to escape the wintry chill and immerse themselves in a world of wonder, exploring the exhibit adorned with pink wintry floral trees and hanging lanterns that complemented the natural beauty of the Cyclamen. The Cyclamen plants were accompanied by a harmonious blend of Kalanchoe, Cordyline, Colocasia, Dypsis, blue star ferns, and Tropicals, adding to the uplifting atmosphere.

## **February 2024 – Chefs' Signature Dinner highlights Niagara Parks' culinary artistry**

Niagara Parks' renowned chefs collaborated to create a six-course, wine-paired tasting menu for the Chef's Signature Dinner in February. Locally sourced ingredients and pours from top wineries in the region were featured. Guests savoured dishes such as Chef Bill Greenan's (Queenston Heights Restaurant) Ontario Sweet Potato Bisque with Lobster Cake, paired with Le Clos Jordanne Chardonnay, and Chef Matt Hemmingsen's (Queen Victoria Place Restaurant) Seared Sea Scallop, matched with Thirty Bench Winemaker's Riesling. Chef Rick Bieber's (Legends on the Niagara Restaurant) Niagara Winter Salad, accompanied by Hidden Bench Pinot Noir, led into the intermezzo with an Apple Cider Sorbet. The entrée featured Chef Matt Krupa's (Table Rock House Restaurant) juicy Ontario AAA Beef Ribeye, paired with a Cabernet Sauvignon from The Foreign Affair Winery. The dining experience concluded with a decadent Peanut Butter and Chocolate Praline paired with Cave Spring's Riesling Icewine. Beyond the cuisine, guests were able to engage with Niagara Parks' passionate chefs to learn more about the thought process and ingredients behind each of their curated dishes.

## **Supporting a dynamic business environment**

### **July 2023 – Plans for New Visitor Transportation System**

In July, Niagara Parks launched a public procurement process for a new visitor transportation system to enhance the guest experience while linking Niagara Parks experiences throughout the core tourism area of Queen Victoria Park. The WEGO agreement between Niagara Parks and the City of Niagara Falls, which established the operation of the WEGO bus transportation system, was set to expire in August 2024, prompting the Niagara Parks Commission to launch a Request for Proposals. The RFP sought innovative and sustainable ideas from the private sector for the next phase of visitor transportation within Niagara Parks. Since its inception, Niagara Parks has operated various transportation modes, including steam trains, trolleys, incline railways, and buses, to provide access to the stunning viewpoints along the Niagara Parkway overlooking Niagara Falls. Now, with the opportunity to establish a new and modern transportation system, the focus was on meeting the growing demands of guests while addressing traffic and flow challenges in this popular tourism area.

### **August 2023 – Pop-up Retail Store at Fallsview Casino**

In partnership with Fallsview Casino, Niagara Parks celebrated the launch of a new pop-up retail store and welcome centre at the Galleria shopping area at Fallsview Casino with an official ribbon-cutting ceremony. The retail store connects guests at Fallsview Casino to Niagara Parks attractions and experiences alongside a collection of high-quality, Niagara Falls-themed merchandise. The location, which is managed and operated by Niagara Parks, provides a central hub for visitors to learn more about Niagara Parks experiences, purchase attraction passes or à la carte tickets, plan transportation, and shop for merchandise to commemorate their visit. The retail store is also an opportunity to strengthen the collaboration between two of Niagara's top tourism demand generators – Niagara Parks and Fallsview Casino.

### **November 2023 – Transformational Private Sector Redevelopment of Toronto Power Generating Station**

In November 2023, Niagara Parks proudly announced the conclusion to the three-stage procurement process for the redevelopment of the historic Toronto Power Generating Station, naming Pearle Hospitality as the successful proponent who will be investing over \$200 million into the project. The landmark redevelopment project will transform the dormant National Historic Site into a brand-new, world-class visitor experience that is unlike anything currently offered in the destination or the province. Highlights of the redevelopment plans include introducing Niagara Falls' first and only five-star boutique accommodation, a variety of culinary offerings, a wellness and social spa, a museum and art gallery, a theatre, event and programming space, along with multiple indoor and outdoor free public viewing areas. A groundbreaking for the construction is planned for fall 2024 and a grand opening in 2027.

### **January 2024 – Cool as Ice Gala**

The Niagara Icewine Festival and Niagara Parks once again partnered to host the Cool As Ice Gala, formerly the Niagara Icewine Gala, at the Niagara Parks Power Station + Tunnel, which has quickly

become one of the region's most sought-after new event venues. The elegant evening affair included premium wine and Icewine pours from Niagara's top wineries paired with gourmet delights prepared by renowned Niagara chefs representing some of the region's best restaurants.

## **Taking experiences, services, and hospitality to the next level**

### **June 2023 – Advanced Holiday Road Closure Schedule**

Ahead of the tourism season, Niagara Parks partnered with the City of Niagara Falls to establish a schedule of planned road closures for holiday weekends within the core tourism area of Queen Victoria Park to help guests and businesses plan ahead. With the high levels of visitation on peak holiday weekends in the summer, often the core tourism area experiences heavy traffic congestion and gridlock, negatively impacting the guest experience and affecting the ability of the Niagara Parks Police Service to manage the area. By closing these roadways to vehicular traffic and providing advanced notice of the closures, pedestrians have better and safer access throughout the core tourism area, effectively establishing a pedestrian mall along the Niagara Parkway by the Falls, as well as Clifton Hill and Murray Street.

### **August 2023 - Replacement of Staircases at Queenston Heights Park**

Niagara Parks began a project to replace four aging wooden staircases within Queenston Heights Park, which link to various trail systems, iconic viewpoints, cultural heritage sites, and the Village of Queenston. The stairs were replaced with galvanized steel stairs. Additional projects undertaken in the spring and summer include paving work at Parking Lot 1 and 2, guard rail replacement on Queenston Hill, and surface treating and line painting on the lower road to the Queenston boat launch.

### **October 2023 – Investments to Improve Cellular Coverage**

In alignment with the provincial mandate of improving cellular and digital service delivery across Ontario, as well as its overall goal of enhancing the guest experience, Niagara Parks is pleased to be working with a third-party infrastructure provider to increase cellular coverage for Canadians across its properties. Following a public procurement process, Shared Tower Inc. was selected as the third-party vendor to install and operate telecommunications infrastructure at various locations across Niagara Parks properties to improve cellular coverage in key areas. A demonstrated leader in the telecommunications industry in Canada, Shared Tower will be working with Niagara Parks, as well as applicable governing land use authorities, local stakeholders, and residents to develop an implementation plan for the new infrastructure.

### **December 2023 - Black Creek Bridge Replacement**

Niagara Parks invested over \$3 million to replace the Black Creek Bridge along the south Niagara Parkway. In August, preliminary work began; construction began in November and continued until April 2024. Initially constructed in 1911 and rehabilitated in 1994, the Black Creek Bridge is a stone-faced bridge along the South Niagara Parkway in Fort Erie, owned and maintained by Niagara Parks. With the bridge approaching the end of its lifecycle, Niagara Parks has prioritized its

replacement. Niagara Parks will be working with contractor Rankin Construction to undertake the bridge replacement project that aims to conserve the heritage value of the bridge while increasing the clearance height for boats and improving visibility and the overall safety of surrounding intersections.

### **January 2024 – Job Fair**

Niagara Parks hosted the first of three planned job fair events in January, inviting job seekers to explore the wide variety of seasonal job opportunities available across various departments ahead of the 2024 tourism season. Based on the overwhelming response from the first two job fair events, Niagara Parks' Human Resources team determined that a third event would no longer be necessary. Hiring managers from across the organization participated in the job fairs, which included on-the-spot interviews and some job offers, resulting in many roles being filled, allowing Niagara Parks to prepare for the busy summer season.

## Economic Performance – General Overview

Niagara Parks entered fiscal 2024 optimistic about the potential of the upcoming tourism season, given the increase in visitation experienced in 2022/23, which represented the first time Niagara Parks was able to complete a full operating season without public health measures impacting its operations. Until October 2022, cross-border restrictions remained in place, heavily impacting the 2022/23 tourism season, which meant that 2023/24 was the first time since the pandemic that Niagara Parks saw a return of the critical US market, which traditionally has accounted for 43% of its revenues.

From its revenue-generating operations, Niagara Parks earned \$130 million in revenue contributions over the course of fiscal 2024, which was \$41 million higher than prior year. When accounting for revenue generated by all other sources, including contributions from its tenant partners Niagara City Cruises and Niagara Adventure Excursions, Niagara Parks finished the 2023/24 fiscal year with \$166 million in revenue. Expenses totaled \$119 million, which includes everything from payroll to its capital budget for repairs and maintenance. Niagara Parks concluded 2023/24 with a surplus of \$47.6 million before interest and depreciation, \$15.5 million higher than prior year.

Niagara Parks saw significant increases in visitation across virtually all of its attractions, including a 58.7% increase compared to the previous year at Whirlpool Aero Car and 62.5% at White Water Walk. At Niagara Parks' signature attraction, Journey Behind the Falls, which was also the site of a major renovation of its visitor queuing areas, Niagara Parks saw an increase of 38.8% in visitation compared to prior year.

Driven largely by visitor spending from the US, the positive year-over-year revenue growth can also be attributed to favourable weather conditions which allowed for one of the earliest season starts in Niagara Parks history. Through its marketing and communications efforts, Niagara Parks continued to promote and position its top demand-generator, which are its nature-based attractions. Niagara Parks' iconic attractions, which allow guests to experience the Falls and the Niagara River corridor in unique and authentic ways, including its newest attraction, the Niagara Parks Power Station + Tunnel, are what differentiate its experiences within the saturated, post-pandemic tourism landscape. Increased visitation to its attractions also contributes to spillover benefits to all areas of Niagara Parks' front-facing operations, including restaurants, retail stores, parking and transportation services.

While domestic tourism was the biggest driver in tourism activity throughout the pandemic, 2023/24 marked a resurgence of international tourism activity. In 2023/24, spending from the US made up 38% of Niagara Parks' revenues compared to 46% from Canada and 16% from all other countries. Spending from the US market increased 67% or by \$17 million compared to prior year. However, these numbers still remain below 2019/20 where US spending made up 43% and other international spending was 23% of Niagara Parks' international revenue.

Besides the US, the next top international countries by foreign spend were the United Kingdom, Mexico, Germany and France, which contributed a combined \$6.9 million. Additionally, during fiscal 2023/24 a total of 169 unique countries have transacted at Niagara Parks, which is similar to 2019-20.

Within a highly competitive tourism marketplace, Niagara Parks has been able to position new experiences, including the Niagara Parks Power Station + Tunnel and renovations to key guest



experiences such as Table Rock Centre, to capture the attention of those planning trips for the first time since COVID-19.

Niagara Parks has also refined its approach and strategy to media and promotional planning, targeting several highly impactful media buys at the beginning of the summer to position Niagara Parks as a top destination for key markets such as the GTA and the drivetime US market. Niagara Parks complemented its own media efforts by participating in collaborative opportunities, including with Destination Ontario's spring/summer marketing campaign. Another segment of its media strategy that grew exponentially in 2023/24 was Niagara Parks' influencer marketing efforts, which produced significant results in driving traffic to Niagara Parks' social channels and its online sales funnel.

In 2023/24, Niagara Parks generated \$15.7 million in online revenue, outpacing its previous best year for online sales (2022/23) by approximately \$4 million. For Adventure Pass online sales alone in fiscal 2024, Niagara Parks generated \$7.4 million in revenue, surpassing 2022-23 sales by over \$2 million. This growth can be attributed in part to changes made across Niagara Parks' digital platforms to optimize web traffic and digital sales conversion rates. Additionally, Niagara Parks continues to produce a weekly electronic newsletter for over 200,000 subscribers that highlights different attractions, experiences and special events, along with a new monthly stakeholder e-newsletter that provides insider information about upcoming projects, announcements, site openings, etc., to a variety of markets.

The financial success achieved by Niagara Parks in 2023/24 has allowed the organization to prioritize investments back into its experiences and properties. For 2024-25, Niagara Parks will be implementing a capital budget of \$69 million, which includes \$32.7 million toward deferred maintenance and \$36.3 million into improvements to revenue-generating operations and strategic projects designed to improve the guest experience and grow tourism.

| <b>April 1, 2023 - March 31, 2024 Actual Operating Results</b>     |                |               |                 |                |
|--|----------------|---------------|-----------------|----------------|
| <i>(in thousands of dollars)</i>                                   | <b>2023/24</b> |               |                 | <b>2022/23</b> |
|  | <b>Budget</b>  | <b>Actual</b> | <b>Variance</b> | <b>Actual</b>  |
| Revenues   | \$121,894      | \$166,708     | \$44,814        | \$117,838      |
| Operating Expenses   | \$96,893       | \$119,144     | \$22,251        | \$85,797       |
| Net Surplus for the period before interest and depreciation (EBID) | \$25,001       | \$47,564      | \$22,563        | \$32,041       |

## **Economic Performance: Outcome-Based Performance Measures**

A board-governed agency of the Province of Ontario, Niagara Parks continues to operate under a mandate first established by the government of the day in 1885: that it preserve and protect the natural beauty and cultural heritage along the Niagara River corridor while maintaining financial self-sufficiency.

As outlined in the accountability framework of the province set out in the Agencies and Appointments Directive, the following outcomes have been identified to ensure Niagara Parks continues to deliver on its mandate while maintaining a strong financial position: Growing Revenue, Enhancing the Visitor Experience and Ensuring Cost Certainty.

### **Growing Revenue: Expanding revenue opportunities outside of traditional peak tourism season**

#### **Input and output:**

One of the greatest opportunities for Niagara Parks to grow its revenue stream is by expanding activity beyond its traditional tourism season of late June, July and August, when the organization generates a large majority of its revenue. While many of Niagara Parks' costs such as policing, parks and road maintenance are fixed in nature, Niagara Parks' revenues are variable and dependent on visitation. As a result, diversifying its revenue stream and building out demand and activity in the traditional shoulder seasons will help to grow revenue and protect the organization's resiliency moving forward.

In April of 2023, Niagara Parks was able to open its seasonal attractions earlier in the season due to favourable weather conditions, which also meant an early launch for its spring/summer pass products, which is a higher price point than the Wonder Pass product that is offered in the off-season.

Niagara Parks' Sales Team is responsible for the Weddings market, in addition to Business Events and Travel Trade (domestic and international bookings). Niagara Parks offers a number of wedding ceremony and reception venues, along with Business and Social Event venues including its full-service restaurants, garden locations and the most recently added, Niagara Parks Power Station + Tunnel. While the summer months will always be popular for the weddings market, Niagara Parks' Sales Team has been focused on expanding its corporate bookings in the months of September to March to help boost opportunities for revenue generation during the traditional off-season.

Business and social events, including corporate buyouts, are a high-value market for Niagara Parks and an important contribution to the culinary and attraction departments. Beyond revenues from food & beverage sales, often corporate events also include a buyout of a Niagara Parks attraction, which generates more revenue and is particularly significant during the off-season. The Sales Team has made an effort to target the key markets of Toronto for corporations and provincial associations, as well as Ottawa for Canadian associations, particularly for events that deliver shoulder season business.

**Outcome:**

While the early start to the season and the return of the US market were major contributing factors in the financial success of Niagara Parks in 2023/24, the revenues generated during the off-season by corporate bookings have helped the organization become profitable outside of the peak tourism season. For the months of September to March in 2022-23, corporate bookings for Business Events across all segments generated over \$1 million in revenue (annual revenues were \$1.5 million). For the same time period in 2023/24, just over \$888,000 was generated in revenue (annual revenues were \$1.6 million).

Traditionally, Niagara Parks would generate the vast majority of its revenues during the summer months in order to sustain the organization through the shoulder season when revenues would drop. However, by expanding different activities including Business Events and corporate buyouts into the off-season, Niagara Parks has increased opportunities for revenue growth outside of the peak season. Niagara Parks was profitable in three of four quarters in fiscal 2023/24 which contributed to the bottom-line results.

## **Enhancing the Visitor Experience: Refresh of Guest Queuing Areas at Journey Behind the Falls**

**Input and Output:**

Over the winter and spring of 2023, Niagara Parks renovated the two floors of visitor queuing areas at its signature experience and top revenue generating attraction, Journey Behind the Falls. Before the renovations were completed, the visitor queuing areas were quite dated and did not include any interpretation or experiential elements. Working within a budget of \$250,000, Niagara Parks added new flooring, lighting and fixtures, as well as new interpretive and design elements to create a visitor gallery that allows the guest experience to begin as soon as guests walk through the doors of the attraction.

The new queuing areas include exhibits with static interpretive signage as well as digital screens that detail the history of Niagara Falls, from the geological formation and the first Indigenous inhabitants to its rise as a global tourism icon. A centrepiece of the new space is a stunning reproduction of an oil canvas painting by Indigenous artist and icon Oren Lyons, entitled Maid of the Mist and the Thunder Beings. The painting is accompanied by interpretive content providing details on its artist and the remarkable story which inspired his work.

**Outcome:**

Niagara Parks unveiled the updates to Journey Behind the Falls in alignment with July 1 and Canada Day 2023. A preview of the new space was held for media and destination stakeholders, which resulted in favourable media coverage and an exceptionally positive response. Niagara Parks positioned the updates across its social media platforms and through its paid media opportunities as well to further promote the experience. The updates at Journey Behind the Falls also align with the broader redevelopment that has been taking place at Table Rock Centre over the last few years. The \$22 million redevelopment of Niagara Parks' top revenue generating site at the brink of the Falls has included extensive renovations to its dining, shopping and pedestrian concourse areas. The updates at Journey help to ensure further cohesiveness throughout the entire facility, improving an existing space to add an entirely new component to the guest experience.

For 2023/24, attendance at Journey Behind the Falls increased 38% from prior year, resulting in over \$16 million in generated revenue at the site, a 47% increase from prior year. Additionally, revenues generated at Journey Behind the Falls in 2023/24 were 25% higher than 2019-20, Niagara Parks' previous best year prior to the pandemic. Though the draw for Journey Behind the Falls will always be the unique experience of standing at the base of the Horseshoe Falls, the new guest queuing areas help to elevate the attraction and improve the overall guest experience at Niagara Parks' signature attraction.

## **Ensuring Cost Certainty: Promoting Growth of Key International Markets**

### **Input and Output:**

Prior to the COVID-19 pandemic, foreign spending made up about 66% of Niagara Parks generated revenue, with the US market specifically comprising 43% of total spending. This represents how critical the international market is for Niagara Parks, which was significantly impacted by travel restrictions during the pandemic. The domestic market showed excellent signs of strength in fiscal 2023, resulting in Niagara Parks achieving better financial results than anticipated that year, given the continued travel restrictions. However, the economic impact from domestic travellers vs international travellers is limited considering domestic travellers are often not staying overnight in the destination. International travellers are more likely to stay for an extended period of time and as a result, are more likely to visit additional Niagara Parks sites and operations such as restaurants and retail stores.

With 2023/24 being the first time many international markets were beginning to return since the pandemic, the ability to capture the attention of international travellers within a saturated tourism market was essential. Niagara Parks' newest attraction, the Niagara Parks Power Station, and especially the Tunnel and the new viewing platform, helped to position Niagara Parks as a top destination for the international market and particularly for the US. Additionally, Niagara Parks' \$22 million redevelopment of its flagship tourism facility, Table Rock Centre, along with investments in the renovations at Journey Behind the Falls ensured the organization continued to provide an exceptional guest experience for all who visit.

As part of its communications and marketing budget, Niagara Parks completed a number of media buys with a focus on the US drivetime market, including a collaborative campaign with Destination Ontario. Niagara Parks participated in Destination Ontario's spring/summer marketing campaign for both the Ontario and drivetime US markets. For the US market, the program was a matched \$50,000 investment (\$100,000 total) to position Niagara Parks' products to a key audience (Buffalo, Rochester, Syracuse and Albany). Through targeted campaigns across digital and social media platforms the campaign positioned Niagara Parks attractions while driving traffic to Niagara Parks' website and online sales funnel, in addition to spreading awareness for Niagara Parks as a destination.

Additionally, Niagara Parks invested just over \$200,000 of its marketing budget into partnerships with media organizations in the drivetime US market and another \$40,000 with national US media outlets. Niagara Parks worked with Buffalo television networks to complete both commercial placement campaign and in-studio segments to promote Niagara Parks attractions to the Western New York market. Niagara Parks' commercial was produced in-house, with a focus on attractions

and encouraging guests to “rediscover Niagara Parks”. This theme was especially significant for the US and Western New York market due to the lack of cross-border travel for the previous three years.

Beyond the US, Niagara Parks targeted growth in the markets of the United Kingdom, France, Germany and Mexico. Niagara Parks’ Sales Team established these markets as its targets for its Travel Trade international segment. Additionally, Niagara Parks increased its digital presence by boosting online ads within these geographic areas as well. Furthermore, Niagara Parks representatives attended two sales missions targeting these markets specifically in 2023/24. Destination Canada’s Showcase Europe allowed Niagara Parks the opportunity to meet and engage with 110 buyers, largely from the UK and Germany, with representation from operators in France, Switzerland, Belgium and the Netherlands as well. Destination Ontario organized a Mexico sales mission, which Niagara Parks attended as well including pre-scheduled appointments with a number of buyers, as well as largescale training sessions with 200 agents to further promote Niagara Parks within this high-yield market.

**Outcome:**

In 2023/24, spending from the US made up 38% of Niagara Parks’ revenues compared to 46% from Canada and 16% from all other countries. Spending from the US market increased 67% or by \$17 million compared to prior year. Despite this growth, these numbers remain below 2019/20 where US spending made up 43% and other international spending was 23% of Niagara Parks’ generated revenue. However, interesting to note is that in March of 2024, US spending represented 50% of all collections, which was the highest percentage in a single month achieved since this type of tracking began in 2022. It is also significant to note that this figure was produced in March, therefore outside of the traditional peak summer months.

The next top foreign countries by volume in terms of spending levels at Niagara Parks were: the United Kingdom, Mexico, Germany and France, which all produced growth to prior year. Collectively, these four countries combined for \$6.9 million in spending or 7% of total collections.

In 2023/24, Niagara Parks transaction figures indicated that customers were visiting from 169 different countries, which is similar to pre-pandemic statistics for 2019/20.

Niagara Parks also tracks its performance compared to foreign spending benchmarks within the Niagara region target market, based on data from its payment processor, Moneris. Overall, Niagara Parks captured 34% of the regional target market benchmark established for foreign spending within this geographic market in 2023/24, which is up 5% from fiscal 2022-23.

While this growth, especially related to the US market, is significant for Niagara Parks, it also indicates that there is still work to be done in terms of positioning Niagara Parks experiences with international markets, which will continue to be a focus for the organization into the future.

## Economic Performance – Risk Analysis

The following risks have been highlighted for monitoring over the coming fiscal year and beyond with planned mitigation tactics outlined. This analysis is consistent with the format presented previously in recent submissions.

| Risk 1                            |  |
|-----------------------------------|--|
| <b>Objective</b>                  | Niagara Parks operates according to its mandate, in a self-supporting manner without the need for government funding for operations  |
| <b>Risk Factor</b>                | While Niagara Parks is recovering well from the pandemic, there are still lingering effects that could impact the performance of Niagara Parks' revenue-generating operations (RPOs), which provide the funding for the organization.  |
| <b>Risk Statement</b>             | Niagara Parks would be unable to resume critical or normal operations, in a self-sufficient business model, in the event of a sustained negative impact to visitation over multiple years. Niagara Parks is structured as a self-funded agency without taxpayer support. The majority of Niagara Parks' revenues are variable and dependent on visitation, particularly from higher-yield US and other international visitors (historically over 60% of revenue comes from these markets) while many of its costs, such as policing, parks and road maintenance, are fixed in nature                       |
| <b>Risk Categories</b>            | Operational: <ul style="list-style-type: none"> <li>• Business Continuity</li> <li>• Financial</li> <li>• Infrastructure</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputational</li> </ul>  |
| <b>Existing Controls</b>          | Continuous monitoring of budget, updated forecasts and cashflow; Strong fiscal management through existing financial controls; Implementation of cost-savings measures resulting from operational review; Workforce management   |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Possible (3)<br>Risk Impact: Very High (5)  |
| <b>Risk Rating</b>                | High (25)  |
| <b>Mitigation/ Action Plan</b>    | Niagara Parks continues to reduce its expenditures, including administration and other staffing costs where available; Operational and capital budgets determined based on performance of previous year, visitation patterns, financial trends, cash flow projections, etc.; Identification of new opportunities for revenue generation such as Table Rock Bistro + Wine Bar, Fallsview Casino Store, Whirlpool Aero Car Snack Bar and large-scale private sector funding opportunities such as the redevelopment of the power stations and the Visitor Transportation System; Proactive identification of |

| Risk 1                         |  |
|--------------------------------|--|
|                                | grants and other funding opportunities to support projects and particularly those related to environmental and cultural stewardship. |
| <b>Target Mitigation Dates</b> | Monthly financial reports to Commission, including cash flow projections   |

| Risk 2                            |  |
|-----------------------------------|--|
| <b>Objective</b>                  | Niagara Parks is able to preserve its physical assets, while still delivering on its stewardship role.   |
| <b>Risk Factor</b>                | Due to its financial model, if revenues fail to meet budgeted levels, capital repair and replacement would have to be deferred if other funding sources are not available. Over an extended period of time, this could result in failure to adequately maintain assets, financial losses and lost business opportunities.  |
| <b>Risk Statement</b>             | From a replacement cost perspective, Niagara Parks has approximately \$360 million in depreciable assets which contribute to its mandate of environmental and cultural stewardship, as well as financial sustainability through self-generated revenues. Prior to the pandemic, Niagara Parks generated over \$120 million in revenues, of which approximately 18% (\$22 million) was spent annually on life cycle maintenance and enhancement of assets to support revenue-producing capabilities and visitor experiences. Due to the financial pressures of the pandemic, Niagara Parks deferred all but the most critical repairs to conserve its finances, which resulted in its list of deferred maintenance growing substantially to over \$200 million. |
| <b>Risk Category</b>              | Operational: <ul style="list-style-type: none"> <li>• Financial</li> <li>• Business Continuity</li> <li>• Infrastructure</li> <li>• Legal</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputation</li> </ul>   |
| <b>Existing Controls</b>          | Multi-year capital planning process; Ranking system to identify critical, safety, asset integrity and strategic projects as a priority with available funds; Capital investment and working capital policies to ensure minimum adequate funding to capital maintenance priorities; Budget for deferred maintenance is checked against regular review of margins for revenue-producing operations, opportunities for new revenue growth, identification of redundant assets for sale, potential grant and funding opportunities.  |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Possible (3)<br>Risk Impact: Very High (5)  |
| <b>Risk Rating</b>                | High (20)  |

|                                |   |
|--------------------------------|---|
| <b>Mitigation/ Action Plan</b> | As Niagara Parks has been able to recover from the pandemic, capital spending has been steadily increasing. The capital budget for fiscal 2023/24 was \$22 million, with over 90% of those funds being directed to deferred or preventative maintenance. In fiscal 2024-25 and beyond, capital spending is expected to grow to over \$60 million annually with a balanced spending distribution between deferred maintenance to preserve Niagara Parks' assets and strategic investments to grow tourism and enhance visitor experiences. |
| <b>Target Mitigation Date</b>  | Ongoing; Monthly financial reports to Commission, including cash flow projections   |

| <b>Risk 3</b>                     |  |
|-----------------------------------|--|
| <b>Objective</b>                  | Facilitate the successful redevelopment of the Niagara Parks Marina as a recreational tourism destination to drive visitation to the south Niagara Parkway and surrounding areas.  |
| <b>Risk Factor</b>                | Infrastructure failure if adequate investment is not undertaken at the site.   |
| <b>Risk Statement</b>             | Niagara Parks is committed to redeveloping its marina property along the south Niagara Parkway in a way that is financially sustainable while also providing numerous benefits for the surrounding communities and tourism opportunities to bring new visitation to the area. Niagara Parks will be issuing a scoped RFP for the redevelopment of the marina seeking interest from the private sector in the opportunity. The RFP will also include the potential sale or long-term land lease of the surrounding Niagara Parks lands which will require provincial approval through an Order-in-Council. There are reputational risks surrounding the project considering the marina has been the subject of multiple redevelopment processes over the years. |
| <b>Risk Categories</b>            | Operational: <ul style="list-style-type: none"> <li>• Financial</li> <li>• Project/Initiative Management</li> <li>• Infrastructure</li> <li>• Business Continuity</li> <li>• Third-Party/Procurement</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputation</li> </ul>  |
| <b>Existing Controls</b>          | Extensive consultation process with municipal stakeholders, Infrastructure Ontario (previously), specialists in market sounding; Public consultations to be undertaken.  |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Possible (3)<br>Risk Impact: Moderate (3)   |
| <b>Risk Rating</b>                | Medium – High (12)   |



| Risk 3                         |  |
|--------------------------------|--|
| <b>Mitigation/ Action Plan</b> | Niagara Parks has developed an operating model to show financial implications and estimated ROI for the project; communications plan developed including key messages, tactics, audiences, etc.; public consultations will be undertaken both to collect feedback and to involve current slipholders in the redevelopment process to encourage support of the project; RFP will include specific project goals, expected timelines, all relevant technical studies and reports, mandatory requirements and required approvals. |
| <b>Target Mitigation Dates</b> | Niagara Parks plans to launch the RFP for the redevelopment later this year.   |

| Risk 4                   |  |
|--------------------------|--|
| <b>Objective</b>         | Maintain a robust and secure network, safeguarding Niagara Parks' digital information  |
| <b>Risk Factor</b>       | Cyber threats compromise Niagara Parks' security systems and digital information resulting in business disruption, financial losses, reputational damage   |
| <b>Risk Statement</b>    | If Niagara Parks' network and information security is compromised by a cyber-attack, public confidence and revenues could be impacted. Threats and attacks occur daily. Malware and ransomware continue to be the most common attacks detected by security experts. Malware analysis is time consuming and intensive. At Niagara Parks, attack surfaces are increasing with the deployment of Internet-of-Things (IoT), Software as a Service (SaaS) solutions and external application program interfaces (APIs). |
| <b>Risk Categories</b>   | Operational: <ul style="list-style-type: none"> <li>• Information and IT (Technology Infrastructure; System Availability/Reliability; Cyber Security; Recordkeeping, Access and Privacy)</li> <li>• Financial</li> <li>• Business Continuity</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputation</li> </ul>  |
| <b>Existing Controls</b> | High level of competency in IT Senior Team; use of best-in-class second-generation firewalls; geo-blocking to block network traffic from countries that participate in state hacking; threat intelligence data in security defenses; whitelist software; lockdown devices' administrative privileges; rigorous security checklist for SaaS providers and the security of IoT devices; antivirus software; reduce reliance on point-to-point radios;  |

|                                   |  |
|-----------------------------------|--|
|                                   | complex passwords and second factor authentication for remote usage; monitor and report staff's remote usage; non-integrated POS payment processing and Moneris point-to-point encryption; PCI compliance requirements incorporated into procurement request specifications; deliver regular security messages and reminders to all users on Niagara Parks' network; cyber insurance coverage; monitor cyber threats as part of information security operations. |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Possibly (3)<br>Risk Impact: High (4)   |
| <b>Risk Rating</b>                | Medium – High (12)   |
| <b>Mitigation/ Action Plan</b>    | In addition to the controls outlined above that are part of regular IT operations, continuous research and exploration of best practices and new technology solutions to assist with safeguarding digital information against cyber threats. As part of Niagara Parks' 204/25 audit plan, we will be engaging an external firm to review Niagara Parks' cyber-security plans and infrastructure.   |
| <b>Target Mitigation Dates</b>    | Ongoing  |

| <b>Risk 5</b>         |   |
|-----------------------|---|
| <b>Objective</b>      | Oversee the restoration of both Toronto Power and Ontario Power Generating Stations and their redevelopment as new visitor experiences and revenue-generating opportunities for Niagara Parks through long-term lease arrangements  |
| <b>Risk Factor</b>    | Redevelopment of Toronto Power or Ontario Power is not seen to completion and buildings remain liabilities to Niagara Parks   |
| <b>Risk Statement</b> | The two decommissioned power stations have been dormant for 50 years (Toronto Power) and 25 years (Ontario Power) and time has been unkind to the building conditions. The two stations are \$14 million liabilities on Niagara Parks' balance sheet. When the stations were acquired by Niagara Parks, they were mothballed with provisions for approximately 20 years to facilitate potential redevelopment. That timeline is coming to an end. The redevelopment of Toronto Power and Ontario Power will be largescale private sector investments with long-term lease agreements to be negotiated between Niagara Parks and the successful proponent(s) resulting from the three-stage public procurement process. There are potential political sensitivities given other largescale redevelopment projects that have been criticized in the media. There is also the possibility of unforeseen external factors (financial, infrastructure, operational challenges) impacting the proponent's ability to carry out the redevelopment. Niagara Parks is also anticipating much media attention |

| Risk 5                            |  |
|-----------------------------------|--|
|                                   | and public interest in the project, underscoring the need for a strong communications and media relations plan.  |
| <b>Risk Categories</b>            | Operational: <ul style="list-style-type: none"> <li>• Financial</li> <li>• Infrastructure</li> <li>• Third Party/Procurement</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputational</li> </ul>  |
| <b>Existing Controls</b>          | Comprehensive communications plan developed including key messages, draft Q&A, media protocol; Experienced spokespersons to handle media interactions; Ongoing collaboration and communication with Ministry staff; Contract negotiations will outline lease payment structure; Depth of experience within Niagara Parks related to long-term lease agreements with private sector companies; Procurement process reviewed in entirety by a fairness monitor; Collaboration with external legal services and financial advisory services as needed; Due diligence phase (120 business days) to carry out heritage studies, archaeology assessment, environmental assessment and consultations; Demonstrated experience of successful proponent in undertaking heritage restoration projects across the Province; Strong project team of Ontario-based companies identified to undertake the work |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Possible (3)<br>Risk Impact: Moderate (3)   |
| <b>Risk Rating</b>                | Medium (8)   |
| <b>Mitigation/ Action Plan</b>    | Letter of Intent has been signed with successful proponent for the redevelopment of Toronto Power and public announcement has been issued, as directed by the communications plan prepared to support the project. All communication on the project will be guided by the plan to ensure consistency and promote awareness among the public, media and stakeholders in support of the project. Consultations to be undertaken by the proponent as part of the due diligence phase.   |
| <b>Target Mitigation Dates</b>    | For Toronto Power, ground-breaking planned for fall 2024, three-year construction period and grand opening targeted for 2027.  |

| Risk 6           |  |
|------------------|--|
| <b>Objective</b> | Promoting Niagara Parks as a safe destination for visitors and staff |

| Risk 6                            |  |
|-----------------------------------|--|
| <b>Risk Factor</b>                | Millions of guests visit Niagara Parks each year, with a high concentration of visitors in the core area of Queen Victoria Park which may be vulnerable to risk from security threats and incidents.   |
| <b>Risk Statement</b>             | With recent global threats to visitor safety at internationally recognized sites and high traffic areas, a proactive approach to implementing initiatives to maintain safety and security of staff and visitors is required to ensure Niagara Parks remains a safe place to visit and work.  |
| <b>Risk Categories</b>            | Operational: <ul style="list-style-type: none"> <li>• Emergency Management - Business Continuity</li> <li>• Physical Security</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputational</li> </ul>   |
| <b>Existing Controls</b>          | Dedicated Niagara Parks Police Service conducting regular patrol of Niagara Parks properties with a concentration in the core; Resources in Health and Safety, including plans developed for each location within Niagara Parks.   |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Possible (3)<br>Risk Impact: High (4)   |
| <b>Risk Rating</b>                | Medium – High (12)   |
| <b>Mitigation/ Action Plan</b>    | Niagara Parks Police Service, in conjunction with regional and provincial authorities, continues to develop and implement a safety and security plan to enhance overall safety of staff and visitors in Niagara Parks. Imminent threat emergency exercise at Table Rock and lane closures in the QVP core area have been completed. The QVP master plan considers permanent changes to transportation patterns through core areas in consideration of visitor experience and public safety. Further improvements to lands and facilities are to be designed using Crime Prevention through Environmental Design principles that encourage safety and discourage inappropriate behaviour. Additional Provincial Offences Officers have been hired to provide more presence particularly during the peak summer months in the core area of Queen Victoria Park. Perimeter barriers have been acquired to implement road closures as needed. Proactive road closure plan implemented for peak visitation weekends to protect pedestrians and remove risks associated with traffic congestion. |
| <b>Target Mitigation Dates</b>    | Ongoing  |

| <b>Risk 7</b>                     |  |
|-----------------------------------|--|
| <b>Objective</b>                  | Maintain a quality workforce with a positive corporate culture to reduce turnover and ensure adequate service levels   |
| <b>Risk Factor</b>                | Significant shifts in the labour market, particularly within the tourism and hospitality sectors impact Niagara Parks' ability to attract and retain staff.  |
| <b>Risk Statement</b>             | Significant labour shortages in the tourism, retail, hospitality and food services sectors have impacted Niagara Parks, especially given the competition with private sector companies for talent, operating within a major tourism destination. Niagara Parks experienced significant turnover for our fiscal 2023/24 season of 30%, excluding normal attrition, impacting our food services, custodial services and retail departments. For 2019-20, Niagara Parks had a peak workforce complement of approximately 1,800 employees comprising 330 full-time positions and the remaining positions seasonal, part-time and student. The full-time equivalent (FTE) count was approximately 934 positions. Niagara Parks normally has significant fluctuations in its seasonal and student complement throughout the fiscal year. In 2023/24 Niagara Parks saw an increase in visitation to the prior year, requiring an increase to headcount to approximately 1,534 employees, with a full-time equivalent (FTE) count of 737. Challenges to attract and retain staff impact managers' ability to adequately staff their attractions, restaurants, retail stores, etc., forcing adjustments to hours of operation and service levels, impacting revenue generation. |
| <b>Risk Categories</b>            | Operational: <ul style="list-style-type: none"> <li>• Human Resources/People</li> <li>• Financial</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputational</li> </ul>   |
| <b>Existing Controls</b>          | Workforce planning process to identify operational needs, assess revenue generation and visitation levels to determine staffing needs with a priority on front-line staffing. Talent Acquisition and Retention Plan developed, and Committee formed with the following objectives: <ul style="list-style-type: none"> <li>• Expand talent sourcing to diversify workforce and create strategic partnerships</li> <li>• Niagara Parks brand exposure</li> <li>• Enhanced candidate and employee experience</li> <li>• Retention and engagement</li> <li>• Target recruitment for specialized and hard-to-fill positions</li> </ul>  |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Likely (4)<br>Risk Impact: High (4)   |
| <b>Risk Rating</b>                | Medium – High (12)   |
| <b>Mitigation/ Action Plan</b>    | Continue to implement the priorities and recommendations coming out of workforce planning process and cross-departmental Talent Acquisition and Retention Committee (TARC), including positioning Niagara Parks' brand, attending and participating in job fairs, hosting new employee engagement  |

| Risk 7                         |  |
|--------------------------------|--|
|                                | events, providing quality training to all new and existing staff, compensation strategy.                             |
| <b>Target Mitigation Dates</b> | Ongoing with a particular focus on preparing for the peak summer months when workforce levels increase substantially |

| Risk 8                            |  |
|-----------------------------------|--|
| <b>Objective</b>                  | Replace Niagara's Fury with a new Flying Theatre attraction that results in increases to attendance and revenue generation   |
| <b>Risk Factor</b>                | Current attraction has reached the end of its lifecycle and requires replacement   |
| <b>Risk Statement</b>             | Niagara Parks will be investing \$21 million to replace the existing Niagara's Fury attraction with a new Flying Theatre attraction. Niagara Parks plans to operate the existing attraction through to Labour Day 2024, after which time it will close as construction begins on the new attraction. The new Flying Theatre attraction is scheduled to open in the fall of 2025, resulting in a period of time where no revenue will be generated at the site. Niagara Parks has budgeted for the financial losses of closing the attraction, but unforeseen delays could result in additional financial losses and reputational damage if Niagara Parks is not able to maintain its initial timeline. |
| <b>Risk Category</b>              | Operational: <ul style="list-style-type: none"> <li>Financial</li> <li>Infrastructure</li> <li>Third Party/Procurement</li> </ul> Strategic: <ul style="list-style-type: none"> <li>Reputation</li> </ul>  |
| <b>Existing Controls</b>          | Construction to renovate the ancillary areas of the attraction including retail, washrooms and ticketing areas is already underway; RFP for the attraction development has concluded and a successful proponent has been identified; internal project team assembled who will be working with the proponent on the attraction development; Communications Plan prepared including key messages, Q&A for staff, timelines.  |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Possible (3)<br>Risk Impact: Moderate (3)   |
| <b>Risk Rating</b>                | Medium (8)   |
| <b>Mitigation/ Action Plan</b>    | Through the internal project team and Niagara Parks' Engineering team, staff will prioritize ongoing communication and transparency with respect to project updates, timelines, projections, etc. Final contract negotiations may  |

| Risk 8                        |   |
|-------------------------------|---|
|                               | result in adjustments to timelines that will be reflected in Niagara Parks budget planning and communications planning for the project.   |
| <b>Target Mitigation Date</b> | Construction on surrounding areas to prepare for the new attraction has already begun; Planned closure of Niagara's Fury on Labour Day 2024; Construction period (Sept 2024 – April 2025); Planned grand opening of new Flying Theatre attraction in fall 2025. |

| Risk 9                   |   |
|--------------------------|---|
| <b>Objective</b>         | Mitigate impacts to Niagara Parks and its guests by ensuring public safety, minimizing risks to infrastructure, and reducing the net environmental, human, and infrastructure costs of climate change.  |
| <b>Risk Factor</b>       | Impacts of climate change affect Niagara Parks' ability to deliver on its mandate of preserving the environment, while damage to Niagara Parks' facilities could result in disruption to business and operations, leading to lost revenue and negative guest experiences.   |
| <b>Risk Statement</b>    | Climate change poses numerous risks to Niagara Parks. Extreme weather events can and have caused damage to infrastructure, increased shoreline erosion and flooded parklands and roadways. Extreme heat and drought conditions create unsafe conditions for guests while adding stress to greenspaces and naturalized areas while increasing demand for water. Climate change is also accelerating the introduction and spread of vector-borne diseases (e.g., Lyme disease) and invasive species. Climate change is stressing native plant and animal species, providing less competition for the spread of invasive species, which can damage infrastructure, degrade water quality and result in biodiversity loss.  |
| <b>Risk Category</b>     | Operational: <ul style="list-style-type: none"> <li>• Financial – Economic</li> <li>• Emergency Management – Business Continuity</li> <li>• Infrastructure</li> </ul> Strategic: <ul style="list-style-type: none"> <li>• Reputation</li> <li>• Climate Related/Environmental</li> </ul>  |
| <b>Existing Controls</b> | The Niagara Parks Climate Readiness Plan provides guidance on the controls and strategies being used to mitigate the impacts of climate change. NPC's Urban Forestry Management Strategy is designed to create a resilient forest canopy to combat the impacts of climate change. As a result, NPC is actively increasing the forest canopy and biodiversity within Niagara Parks by planting a minimum of 5000 trees annually consisting of a wide range of native species. NPC is also actively restoring the Niagara River shoreline to prevent shoreline erosion and mitigate erosion through the establishment of no-mow vegetated riparian buffers, which includes the removal of invasive species and planting of deep-rooted native plants. The establishment of a wetland at NPC's Gonder's Flats property is also |

| Risk 9                            |   |
|-----------------------------------|---|
|                                   | designed to moderate flooding impacts during extreme weather events. An invasive species management program has also been developed to guide the detection, monitoring, and management of invasive plants, insects and disease.   |
| <b>Risk Assessment (Residual)</b> | Risk Likelihood: Almost Certain (5)<br>Risk Impact: High (4)  |
| <b>Risk Rating</b>                | Medium – High (12)  |
| <b>Mitigation/ Action Plan</b>    | In 2021, with the assistance of Brock University, Niagara Parks undertook a Climate Readiness Assessment resulting in the adoption of a Climate Readiness Plan, which highlights the specific risks to NPC as well as potential mitigation strategies. Adopted in 2018, NPC's Urban Forestry Management Strategy and the actions identified within it, directly contributes to ensuring the forest canopy within Niagara Parks remains resilient to climate change. |
| <b>Target Mitigation Date</b>     | Ongoing operational land management practices: targets associated with improving the resiliency of the forest canopy, such as increasing canopy cover to 35%, increasing biodiversity, and having 75% of the Niagara River shoreline covered in native vegetation are expected to be achieved by 2028; other activities, such as improving shoreline protections and managing invasive species is being implemented on an ongoing basis.                            |



## Business Climate

| <b>Where the Commission's Dollars Came From<br/>2023/2024 (April 1, 2023 to March 31, 2024)</b> | <b>Where the Commission's Dollars Went<br/>2023/2024 (April 1, 2023 to March 31, 2024)</b> |
|---|--|
| Boat Tour Lease Agreement – \$18.2 M (17%)  | Maintenance – \$27.3 M (37%)   |
| Zipline & Adventure Course Agreement – \$3 M (3%)   | Administration – \$11.5 M (16%)  |
| Gift Shops, Restaurants, & Attractions – \$58.7 M (56%)   | Asset Additions – \$19.5 M (27%)   |
| Land Rent – \$8.6 M (8%)  | Interest Paid – \$1.6 M (2%)   |
| Grant Funding – \$0.09 M (0%)   | Long-Term Debt Repayment – \$4.4 M (6%)  |
| Infrastructure Funding – \$1.2M (1%)  | Strategic Initiatives – \$0.51 M (1%)  |
| Working Capital - \$7.5M (7%)   | Other Expenses – \$8.3 M (11%)   |
| Other Income - \$6.9 M (7%)   |  |
|   |  |
| <b>Where the Commission's Dollars Came From<br/>2022/2023 (April 1, 2022 to March 31, 2023)</b> | <b>Where the Commission's Dollars Went<br/>2022/2023 (April 1, 2022 to March 31, 2023)</b> |
| Boat Tour Lease Agreement – \$14.0 M (19%)  | Maintenance – \$21.7 M (40%)   |
| Zipline & Adventure Course Agreement – \$2.5 M (3%)   | Administration – \$9.7M (18%)  |
| Gift Shops, Restaurants, & Attractions – \$41.6 M (56%)   | Asset Additions – \$6.5 M (12%)  |
| Land Rent – \$8.3M (11%)  | Interest Paid – \$1.0 M (2%)   |
| Grant Funding – \$0.2M (0%)   | Long-Term Debt Repayment – \$7.4 M (14%)   |
| Working Capital – \$2.7M (4%)   | Power Plant Stabilization – \$0.0M (0%)  |
| Infrastructure Funding - \$1.3M (2%)  | Other Expenses – \$7.5 M (14%)   |
| Other Income – \$3.7 M (5%)   | Strategic Initiatives - \$0.46 M (1%)  |

## Comparative Performance – Niagara Parks’ Revenue-Producing Operations (\$)

| <i>(in thousands of dollars)</i>                                  | 2023/24         | % of sales | 2022/23         | % of sales |
|---|-----------------|------------|-----------------|------------|
| Revenue   | \$130,246       | -          | \$88,964        | -          |
| Cost of Goods Sold  | \$19,140        | 15%        | \$12,858        | 14%        |
| Gross Profit  | \$111,106       | -          | \$76,106        | -          |
| Operating Expenditures  | \$50,979        | 39%        | \$33,512        | 38%        |
| <b>Net Income Before Administrative Overhead and Depreciation</b> | <b>\$60,127</b> | <b>46%</b> | <b>\$42,594</b> | <b>48%</b> |

## Niagara Parks Attendance

|   | April 1, 2023 to<br>March 31, 2024 | April 1, 2022<br>to March 31,<br>2023 | Increase /<br>(Decrease) | NOTES  |
|---|------------------------------------|---------------------------------------|--------------------------|--------|
| <b>Paid Attractions</b>                 |                                    |                                       |                          |        |
| Journey Behind the Falls                | 853,657                            | 615,022                               | 238,635                  |        |
| Niagara Parks Power Station<br>+ Tunnel | 302,101                            | 202,389                               | 99,712                   |        |
| Currents                                | 14,578                             | 7,373                                 | 7,205                    | Note 1 |
| Butterfly Conservatory                  | 296,511                            | 279,493                               | 17,018                   |        |
| Whirlpool Aero Car                      | 179,317                            | 112,960                               | 66,357                   |        |
| White Water Walk                        | 201,905                            | 124,212                               | 77,693                   |        |
| Niagara's Fury                          | 175,043                            | 129,270                               | 45,773                   |        |
| Floral Showhouse                        | 51,746                             | 31,560                                | 20,186                   |        |
| <b>Total</b>                            | <b>2,074,858</b>                   | <b>1,502,279</b>                      | <b>572,579</b>           |        |
|   |                                    |                                       |                          |        |
| Whirlpool Golf Course                   | 32,464                             | 32,682                                | (-218)                   |        |
| Legends on the Niagara                  | 86,078                             | 80,362                                | 5716                     |        |
| <b>Total</b>                            | <b>118,542</b>                     | <b>113,044</b>                        | <b>5,498</b>             |        |
|   |                                    |                                       |                          |        |
| Old Fort Erie                           | 10,413                             | 7,373                                 | 3,040                    |        |
| Laura Secord Homestead                  | 4,625                              | 2,202                                 | 2,423                    |        |
| Mackenzie Printery                      | 2,576                              | 523                                   | 2,053                    |        |
| McFarland House                         | 2,216                              | 589                                   | 1,627                    |        |
| <b>Total</b>                            | <b>19,830</b>                      | <b>10,687</b>                         | <b>9,143</b>             |        |
|   |                                    |                                       |                          |        |
| WEGO Transportation Service             | 951,850                            | 547,893                               | 403,957                  | Note 2 |
| Falls Incline Railway                   | 878,394                            | 761,748                               | 116,646                  |        |
| <b>Total</b>                            | <b>1,830,244</b>                   | <b>1,309,641</b>                      | <b>520,603</b>           |        |
|   |                                    |                                       |                          |        |
| <b>Total Attendance</b>                 | <b>4,043,474</b>                   | <b>2,935,651</b>                      | <b>1,107,823</b>         |        |

**Note 1:** Currents: Niagara's Power Transformed was closed to the public from January 8 through to the end of fiscal 2024 for updates.

**Note 2:** WEGO attendance represents Green Line ridership along the Niagara Parkway only.

## Commissioner Remuneration

Niagara Parks Commissioners are eligible for a per diem when working on Commission business and fulfilling their duties as a member of the Commission Board. The per diem rate of \$350 for the Chair, \$250 for the Vice-Chair and \$200 for each member of the Board is set by the Government of Ontario.

The table below lists the remuneration paid to Commissioners during the 2023 fiscal year (April 1, 2023 to March 31, 2024), as well as reimbursed out-of-pocket expenses.

| <b>Commissioner</b>            | <b>Remuneration</b> | <b>Expenses</b>   | <b>Total</b>       |
|--------------------------------|---------------------|-------------------|--------------------|
| April Jeffs, Chair             | \$33,425.00         | \$1081.50         | \$34,506.50        |
| Barton Maves, Vice-Chair       | \$1,775.00          | \$0               | \$1,775.00         |
| Graham Coveney, Vice-Chair     | \$100.00            | \$20.00           | \$120.00           |
| April Cotton, Commissioner     | \$1,800.00          | \$0               | \$1,800.00         |
| Spencer DeWolfe, Commissioner  | \$1,500.00          | \$0               | \$1,500.00         |
| Dan La Caprara, Commissioner   | \$2,600.00          | \$761.76          | \$3,361.76         |
| Natasha DiCienzo, Commissioner | \$2,300.00          | \$0               | \$2,300.00         |
| Jim Diodati, Commissioner      | \$1,400.00          | \$70.40           | \$1,470.40         |
| Jessica Friesen, Commissioner  | \$2,305.00          | \$0               | \$2,305.00         |
| Tom Insinna, Commissioner      | \$1,900.00          | \$0               | \$1,900.00         |
| Ted Salci, Commissioner        | \$3,600.00          | \$0               | \$3,600.00         |
| Wayne Redekop, Commissioner    | \$900.00            | \$0               | \$900.00           |
| Erwin Wiens, Commissioner      | \$3,300.00          | \$0               | \$3,300.00         |
| <b>TOTAL</b>                   | <b>\$56,905.00</b>  | <b>\$1,933.66</b> | <b>\$58,838.66</b> |