

PROPOSED DEVELOPMENT CHARGE BYLAW IMPACTS ON NIAGARA GREENHOUSE FLORAL AND LANDSCAPE FARMS

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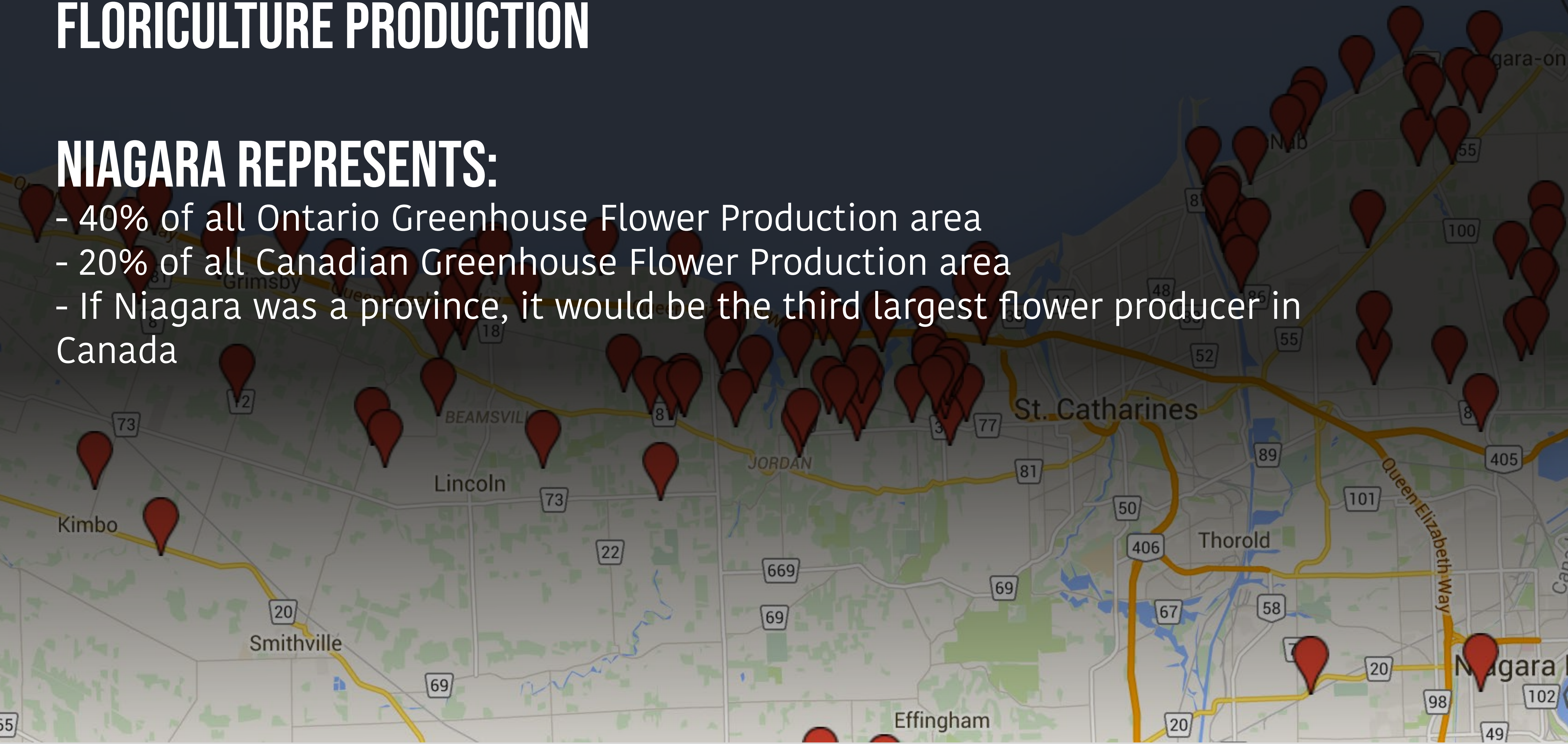
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NIAGARA IS A CRITICAL CONTRIBUTOR TO PROVINCIAL AND NATIONAL FLORICULTURE PRODUCTION

NIAGARA REPRESENTS:

- 40% of all Ontario Greenhouse Flower Production area
- 20% of all Canadian Greenhouse Flower Production area
- If Niagara was a province, it would be the third largest flower producer in Canada



A close-up photograph of a field of red tulips. The tulips are in various stages of bloom, with some fully open and others as buds. The green leaves are visible between the flowers. The background is slightly blurred, showing more tulips in the distance.

SECTOR AT A GLANCE

FARM GATE SALES

- >\$1 Billion Provincially
- >\$400 Million from Niagara

EXPORT

- \$500 Million Provincially
- ~\$184M export from Niagara
- 31% increase year over year

EMPLOYMENT

- >7500 jobs in Ontario
- ~3000+ direct jobs in Niagara

ECONOMIC IMPACT

- Economic Multiplier of 1.9 - high contribution to local economy.



Farms are experiencing significant cost increases which are impacting growth and competitiveness

2020 EXPANSION COST

\$1.2 MILLION PER ACRE

2022

\$1.6 MILLION PER ACRE (+33%)

**COST OF GREENHOUSE
EXPANSION IN NIAGARA**



IMPACT OF DEVELOPMENT CHARGES ON GREENHOUSE

CLASSIFICATION AS INDUSTRIAL
+\$125,453 PER ACRE

CLASSIFICATION AS COMMERCIAL
+\$381,586 PER ACRE

2022 ANTICIPATED COST

1.6 MILLION PER ACRE (+33%)

1.72 MILLION (+44% INDUSTRIAL)

1.98 MILLION (+65% COMMERCIAL)

REACTION TO DEVELOPMENT CHARGES

Applying a Development Charge now would shock numerous businesses with plans to expand. One farm, with a 6 acre expansion planned, would face unexpected DCs of between \$753K and \$2.3M. Either scenario will halt expansion.

Greenhouses experiencing Development charges in St. Catharines are exploring expanding elsewhere.

Some US states continue to solicit Canadian greenhouse expansion into the United States.

IMPACT TO THE FUTURE OF NIAGARA FARMS

Development charges would discourage young, and next generation farmers, from entering farming or carrying on existing operations

Succession planning for Niagara farms would be significantly hampered

RECOMMENDATIONS:

In order to continue support for agricultural growth in Niagara:

1. HALT PROGRESS OF DEVELOPMENT CHARGES BYLAW

Until Agriculture has been consulted and impacts of this change are fully studied

2. MAINTAIN EXEMPTION OF AGRICULTURE FROM DEVELOPMENT CHARGES

3. REINTRODUCE HELP HOUSE EXEMPTION FROM DEVELOPMENT CHARGES

QUESTIONS?

