



May 17, 2022

Tom Insinna Chair of the Development Charge Task Force c/o Office of the Regional Clerk Niagara Region 1815 Sir Isaac Brock Way, P.O. Box 1042 Thorold, Ontario L2V 4T7

Re: Proposed Development Charge By-law

Dear Mr. Insinna:

Grape Growers of Ontario appreciates this opportunity to provide input into the Region's Development Charge Task Force. GGO is the official organization representing all 500 processing grape growers including 183 wineries on 18,000 acres of vineyards in the province. The industry generates \$4.4 billion of economic impact to Ontario including \$847 million of tourism impact, attracting 2.4 million tourists to the province annually. Niagara is home to the vast majority of the grape and wine industry representing 95% of production.

Agriculture is an important sector in Niagara both culturally and economically, as identified in the <u>Niagara Agriculture Profile</u> and in the <u>Niagara Region Agriculture</u> <u>Economic Impact</u> reports. According to these reports, 2016 census data gross farm receipts in Niagara totaled \$838.1 million, a 15.5% increase over 2011 and the industry supports \$1.4 billion in gross domestic product impact and 19,892 jobs.

The Niagara Region Official Plan appropriately identifies "the importance of supporting Niagara's agri-food sector through protection of the agricultural land base and promoting all types, sizes and intensities of agricultural uses." "Niagara has unique qualities that contribute to its vitality and economic prosperity. Land use planning is important to enhancing these strengths and facilitating new economic opportunities." (*Chapter 4, page 44*).

We understand from a brief presentation to the April 29, 2022 Agricultural Policy Action Committee (APAC) that the current Regional Development Charge (DC) by-law expires on August 31, 2022 and that the proposed new by-law eliminates the long-standing exemption for agricultural buildings.

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We hope that it is an unfortunate oversight that the Council Priority Areas for the new DC by-law do not include agriculture when one of the Niagara Region Official Plan Pillar Statements is: *Thriving agriculture and tourism – A prosperous agricultural industry and world-class tourism opportunities that grow our economy and elevate the Niagara experience.*

Grape growers' investments in their vineyards contribute to the Niagara identity, the landscapes, and way of life that attract tourists to the Region providing a socioeconomic benefit beyond the farm. "The artistic-nature dividend is the benefit to all a community's constituent parts from the increased tourism and business activity that those past investments continue to stimulate." (*The Growers and the Vines, Queens University*)

Niagara's specialty crop lands are unique, the largest in Canada, and specifically recognized in the Greenbelt Plan as a finite resource needing to be protected through a productive agricultural industry.

The priorities of the Region and the Province have not been recognized in the current proposal to eliminate the exemption for agricultural buildings. It is also in conflict with the by-laws in Niagara municipalities that exempt agricultural buildings.

The exemption of agricultural structures from development charges creates an incentive to reinvest in farm operations, which contributes to the financial viability of family farms and ultimately preservation of farmland. Sustainability of agriculture over the long term requires farm succession, which often involves expansion of a business in order to facilitate a financial plan that includes the next generation.

As an example of the potential impact of the proposal, a simple 40 ft x 60 ft metal storage shelter to store farm equipment costs \$50,000 to purchase. At the proposed commercial development charge rate excluding wastewater and water services of \$8.76 per square foot, development charges of \$21,024 would add over 40% to the cost of the building. Agricultural buildings are exempt from development charges in 90% of the province, which will put Niagara at a competitive disadvantage.

As you are no doubt aware, the Niagara Region Agricultural Policy and Action Committee (APAC) was created in 2000 as a response to the establishment of the Greenbelt, and to provide stakeholders with a forum to facilitate consultation on issues impacting agriculture. Recognizing the significance of the impact of development charges on the agricultural community, it is concerning that APAC was not consulted on this issue or provided with the full report that was provided to area municipalities.



Agriculture is the backbone of the Greenbelt in the region, and Ontario's lung; diminishing our contribution to this region or province would be incredibly shortsighted.

The Grape Growers of Ontario request that the current Development Charge by-law proposal be put on hold until there has been a fulsome consultation with the agricultural community on this matter, which may require an extension of the current by-law.

Sincerely,

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c Jim Bradley, Regional Chair
Regional Council
Margaret Murphy, Associate Director Current and Capital Budgets
Todd Harrison, Commissioner, Corporate Services
George Spezza, Director, Economic Development
Erik Acs, Manager Community Planning (Agricultural Policy Action Committee)
Matthias Oppenlaender, Chair, Grape Growers of Ontario

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