

A Future for the Lands

In Brief

This document contains the highlights and general gist of the report A Future for the Lands: Economic Impact of Remaining Pickering Federal Lands if Returned to Permanent Agriculture (Final Report), omitting repeated arguments and all footnotes, tables, and graphics.

The source page of each extract is provided at the end of the extract. Excisions and gaps in discussions are indicated by [...]; many of the excisions are cross-references or point to tables or figures, so have been removed to aid legibility. Any explanatory words that have been added also appear between square brackets. The extracts are otherwise verbatim.

Chapter 1 Introduction

1.1 Some Background

A major consequence of 1-year lease agreements is the shortening of the planning horizon and removal of any incentive to invest sufficient capital in maintaining and/or improving the asset base. This has resulted in a depletion of the natural capital of all farmlands on the site and significant loss of potential income and investments. (p. 3)

Chapter 2 Agriculture on the Subject Lands

2.3 The Workable Farmland on the Subject Lands

[...] The full area of each parcel is generally not suitable for crop or animal agriculture, since allowances need to be made for woodlots, fence rows, wetlands and surface areas for buildings. (p. 9)

[The] land base of 6,700 acres of workable land is the land area which we used when determining the economic impact of having the Subject Lands in permanent agriculture. (p. 9)

2.4 Estimated Output on the Subject Lands Prior to Expropriation

Prior to expropriation, the Subject Lands were productive in permanent agriculture, with over 80% of farm gate revenues due to livestock and poultry production, which is in stark contrast with the mostly corn, soybeans and wheat of today. [...] (p. 10)

The total value of sales is estimated to have been \$1.2 million (in 1971 dollars) for the Subject Lands from all livestock, poultry and crop sales. [...] (p. 10)

2.5 Consequences of Expropriation and Using 1-Year Leases

[...] The never-ending threat of an airport has persistently chilled the area's economy; business investment is abnormally low, few new jobs are created, and unlike the state of affairs prior to 1972, most of the remaining residents are now employed outside the local area. The area has become not only

an economic desert, but also a retail desert, and the preponderance of consumer spending by north Pickering residents is now made in Markham, Stouffville, Uxbridge, Brooklin, Ajax, and not in Pickering. (p. 12)

A once prosperous mixed-farming area, which included animal agriculture, has been reduced to cash-crop grain farming – largely soybeans and corn, with smaller amounts of wheat and canola production. [...] The Subject Lands are currently suffering from neglect; but with good stewardship could again be part of the natural wealth of the region, as they had been for the past two centuries. (p. 12)

2.6 Gross Value of Current Crop Production on the Subject Lands

This \$3.8 million in current output is much lower than the estimated value of output in 1971 (in 2017 dollars) of \$7.4 million. [...] Current revenues are estimated at \$563/acre, compared to the \$1,100/acre of 1971 [...], with much of the difference due primarily to the type of farming that occurs today on the Subject Lands. (p. 13)

2.7 Output and Economic Activity on Subject Lands with 1-Year Leases

The current level of agricultural output on the Subject Lands is well below potential, and by extension has a low level of contribution to the regional and provincial economies. (p. 13)

2.8 Benefits of Longer Term Leases

Moving to [...] 30-year renewable leases provides the necessary certainty farmers need in order to make investment decisions that a longer time horizon provides. Such investments would leverage the advantages of class 1 soil and proximity to the largest urban core in Canada, as well as other natural capital comparative advantages (such as water) of these Lands. The longer leases would allow for planting an apple orchard or building a new poultry barn or developing a green tourism node. (p. 15)

Unencumbered longer term leases provide for the kind of longer term planning horizon that would facilitate some investments by lease holders, resulting in improvements in operational efficiencies and higher productivity of the resource base of the Subject Lands. Although it would take time and resources to restore the area's maximum agricultural and other rural economic capabilities, an investment-focused restoration effort will pay handsomely, and quickly, in terms of local employment, fresh food and other products, an expanded local tax base and a more diversified economic structure. (p. 15)

Chapter 3 Agri-Tourism and Tourism on the Subject Lands

3.1 Tourism as an Industry

Tourism is a major industry in Ontario ranking among the 10 largest industries in the province. It contributed about \$26.6 billion to the GDP of the Province, or over 3.7% of provincial GDP in 2014. Tourism is a labour-intensive industry with over 322 thousand Ontarians owing their jobs to activities of this industry (or 5.3% of provincial employment) in the same year. [...] (p. 16)

It is clear that tourism benefits Ontario and its rural communities, but no firm estimates of the magnitudes of these benefits [...] have been made in the rural communities of the York-Durham Region. This omission is rectified in this report by estimating the tourism impacts of visits to the region motivated by agri-tourism and tourism in general. (p. 16)

3.2 Tourism in Rural Areas

Rural communities in Ontario and across Canada are increasingly looking towards tourism as a viable industry and a way to diversify their local economies. [...] (p. 16)

Rural areas offer tourists many unique experiences that often cannot be replicated elsewhere in the urban centres of Ontario or Canada. While rural regions offer a rich assortment of natural vistas, wildlife and flora, there is also a diverse cultural heritage to discover and appreciate. Many rural communities have been successful in developing their local and regional attributes in order to attract tourists and have thus reduced their employment dependency on more traditional primary resources or industries. [...] There is a definite and critical need to showcase the role of tourism in rural communities and to develop strategies for community involvement and appreciation of the economic impact of tourism. This knowledge and appreciation is crucial for the expansion of tourism and its contributions to the local economic base... (p. 16)

[...] Society, in general, and urban people in particular, can derive substantial benefits from these rural experiences, making it important to plan for rural amenity protection and development. (p. 17)

Recent tourism surveys (in 2014) show that over 28 million people visited the GTA Tourism Region and about 12 million visited York, Durham and Headwaters Tourism Region [...] which combine to a total of 40 million visits. [...] around 39 percent of these visits are made in rural areas. This suggests that around 15.6 million visits could possibly be made to the rural areas in these two Tourism Regions. While it is difficult to estimate precisely Pickering's share in this number of visits, there are reasonable grounds to believe that a sizeable number could potentially be attracted to the Pickering area, especially if enticing inducements were on offer. A small tourism node (Whittamore's Farm) adjacent to the Lands was able to attract over 300,000 visits annually over the past two years. (p. 17)

Edmonton Countryside, with a population base in Edmonton less than one sixth of the GTA's and with a smaller tourism base overall, has achieved a level of visits of over 1 million per annum and expenditures of over \$100 million. There are good reasons to believe that Pickering could attract visit volumes and tourism expenditure levels that are close to the optimistic projections in section 3.5 [1,167,050 visits and \$142.1 million in tourist expenditures], if not higher levels, once aided by dedicated community effort and some strategic planning. (p. 17 [and p. 19])

3.3 Tourism in York, Durham and Headwaters Region in 2014

These tourists spent substantial amounts of "new" money in the region (money that was not necessarily earned in the region) on accommodation, food, travel, entertainment, and other commodities and services that exceeded \$931 million in 2014. [...] these tourists coming to the region for pleasure spent over \$181.5 million. (p. 18)

Not all of the visits or the expenditures in the region [...] were made or are likely to be made in Pickering. It is, however, realistic to suggest that a good share of those people who came to the region for pleasure could be expected to visit, or be induced to visit, Pickering. [...] tourism visits are not independent of, or unrelated to, the inducement measures, incentives offered, programs established, or advertising and community involvement. (p. 18)

3.4 Agri-Tourism and Tourism on the Subject Lands

The Subject Lands have some unique and natural attributes that boost their productivity and attractiveness, based on their soil and climatic features as well as on their location within Canada's largest population centre – the GTA. This leads not only to agricultural production to serve local markets but also to tourism, given the location within the GTA and also being adjacent to the RNUP on the western and northern perimeter of the Lands. Our study therefore includes agriculture and tourism as two major areas of economic activity on the Lands.

We define agriculture and its associated economic activity as production from the Lands, which is then shipped out of the region to buyers and assumes that no further processing or consumption or purchases by visitors occurs within the region.

There are three, if not more, tourism-related activities and investments that are natural to the area, all of which are linked to urban preferences. We define these tourism activities as follows:

- Agri-tourism: where non-residents travel to the Lands to buy agricultural goods and services. Agri-tourism spending on agricultural production from the Lands is excluded from our tourism economic impact calculations. The field value of the crops purchased by visitors to the Lands is included in the agricultural economic calculations, with the remainder of the value of their purchase included in the tourism economic calculations. Agri-tourism can include: buying farm fresh fruits and vegetables and locally produced meats, cheeses, jams, honey, apple cider, and so on, from on-farm retail shops; pick-your-own operations; farm tours and activities; horseback riding.
- Tourism linked to other natural capital: typically, non-depletive (non-consumptive) uses of natural capital (e.g., bird watching, using walking trails and bike trails, etc.).
- Tourism based on adding value: typically, added value to off-the-farm agricultural products grown in the region, including destinations such as local culinary operations, wineries, etc. (pp. 18-19)

3.5 An Example of Tourism Potential on the Subject Lands

Given the proximity of the Subject Lands to the urban GTA and their adjacency to a national park, there is significant tourism potential. In 2014, the total number of tourists (same day and overnight) who visited the York, Durham and Headwaters Region primarily for pleasure (e.g., culture, recreation, etc.) spent an estimated \$306.5 million in the Region. [...] This level of spending can occur on the Subject Lands when their agricultural and agri-tourism potential is fully developed. (p. 19)

Assuming the Lands do attract 700,230 visits per annum, [...] the annual expenditure in the area can be in the range of \$85 million per year (based on our methodology), before considering overnight accommodation. (p. 19)

[...] The Medium Scenario [700,230 visits/year] is considered the most probable; even so, it is modest by any standard in light of the fact that Whittamore Farm, close to the Lands in North Pickering, was already attracting over 300,000 visits annually in 2015 and 2016. [...] [T]he tourism potential is here and needs only to be developed. (p. 19)

Chapter 4 A Vision for the Subject lands

4.1 Economic Analysis Guided By a Vision for the Subject Lands

[...] The Subject Lands have many very positive attributes, of which only some are listed:

- they are part of Canada's base of most productive soil;
- they receive sufficient rainfall for growing crops;
- they are located in the temperate growing climate of the sheltered south slope of the Oak Ridges Moraine;
- they are situated near highly developed and integrated transportation infrastructure;
- close proximity to most of Ontario's population; and
- they are close to large urban markets wanting fresh vegetables, fruits and other food products. (p. 20)

Our vision for the remaining federal lands [...]:

- meets the over-arching objective of the study with regard to the use of the federal Lands;
- preserves the lands in a sustainable manner for use by future generations;
- can be achieved within a generation;
- takes into account the history of the area, its natural habitat, its cultural heritage and its environmental contributions;
- focuses on the best and highest value use of the lands remaining in agriculture;
- considers the natural advantages of soil, water resources, and climate of the Subject Lands;
- takes into account agriculture and associated agri-tourism;
- recognizes the Lands' relationship to bordering land uses;
- leverages the unique advantage of proximity to supply goods and services to the GTA; and
- focuses on attainable success. (p. 21)

4.3 A Vision of Agricultural Production on the Subject Lands

[...] [F]ruits and vegetables can account for over 70% of the output. Vegetable production includes world foods (such as Okra) among the various vegetable crops consumed by GTA residents from a variety of ethnic backgrounds. This diversity of agricultural output is in stark contrast to the current agricultural output on the Subject Lands. (p. 22)

With this more diverse and higher value production, output is calculated to be over \$3,500 per acre [...], a significant improvement over the current output of \$563/acre [...]. Our vision for agriculture on the Subject Lands has output per acre increasing by a multiple of 6.2 (compared to today's output). (p. 23)

The diversity of agricultural production, with necessary investments, is a prerequisite for the agri-tourism potential associated with the Subject Lands. While the economic output of crop production is directly tied to the number of acres (the stock of land), the agri-tourism potential is not subject to this constraint since tourism output is based on the flow of visitors onto the Subject Lands. (p. 24)

4.4 A Vision of Research, Innovation, and Farming Incubation Centres

The Research and Innovation Centre would have a focus on issues such as agriculture's adaptation to climate change and research on production practices and carbon sequestration. This Research and Development Centre could be affiliated with an academic institution such as the University of Guelph; [...]. One focus [...] could be on best management practices for carbon sequestration associated with

fruit and vegetable production. The [...] Centre is part of the knowledge economy that is now increasingly becoming a cornerstone of a diversified economy. It also supports a land use that is environmentally friendly and consistent with established requirements (preferences) of knowledge and research workers for pristine and environmentally clean working environments. The latter condition has been singled out as a major attractor for the creative class. (p. 24)

Equally relevant [...] The GTA municipalities have teamed together in Invest Toronto (now Toronto Global) to seek the development of knowledge nodes and to transform the area into a major hub for research and development. (p. 24)

The Farming Incubation Centre would have a focus on new entrants into farming and on best management practices for certain types of agriculture such as organic agriculture. It would offer programs to new entrants into farming and would mentor existing and new farmers on best practices and problem solving in agriculture. (p. 24)

4.5 A Vision of Agri-Tourism Linked to Agricultural Production on the Subject Lands

[...] Examples of the annual agri-tourism flow of visitors can include:

- pick-your-own operations (such as strawberries, raspberries, apples) with associated amenities and retail operations, and projected to account for 500,000 family/party visits per year, with associated expenditures of \$40/visit (\$20 million in local expenditures);
- on-site farm retail shops selling produce grown in the area (fresh vegetables, sweet corn, fruit, etc.) with a projected 100,000 visits per year, total spending of \$5 million per annum;
- value added agri-food businesses manufacturing food products (e.g., artisanal cheeses, jams, etc.) with on-site sales;
- local cuisine, which is based primarily on local production, with the potential of 40,000 visits per annum (\$2 million per annum);
- horse riding stables with a total of 30 horses, which can result in 10,000 visits per year with \$500,000 in revenues. (pp. 24-25)

4.6 A Vision of Tourism Linked to Natural Capital

In addition to agri-tourism the natural and cultural heritage of the Subject Lands should attract another 100,000 to 200,000 visits per year, for activities such as walking nature trails, biking through the area, visiting historic sites, etc. With average spending per visit of \$100 per visiting family this generates another \$20 million in revenues expended within the region. (p. 25)

The proximity to the urban centres of the GTA would support many repeated visits and a need to diversify the purposes. [...] (p. 25)

Eco-tourism (guided tours through forests and trails, and bird watching) is now a significant attraction for tourists. Our vision [...] is consistent with the increased demand for the preservation of the many eco-services supported by the Lands if kept in permanent agriculture, thus meeting the demands of eco-tourists. This being the case the estimated number of visits could easily be surpassed and there is plenty of room for the local community to organize events and programs that would leverage this wide range potential for market-product matches to maximize benefits. (p. 25)

Chapter 5 Scenarios for Land Use and Agricultural Production Output

5.1 Introduction to Scenarios

A number of scenarios are used here to model the agricultural output and the resulting economic impacts associated with the 9,600 acres (6,700 in crop production) and the permanency of the tenure structure on the Subject Lands. [...] (p. 26)

Uncertainty over the length of tenure has a significant impact on the type of investment that is made by tenants. ***Uncertainty is typically considered as the nemesis of investment.*** When a farmer is not certain as to whether the lease will be renewed at the end of a given year, then any investment made will likely need to be fully recouped in the year. [...] (p. 26)

The capital costs of buildings and of other infrastructural developments are such that a much longer payback period can be expected. For example, if the amortization schedule on a poultry barn is 30 years, then a producer would likely not invest in this type of animal agriculture unless he/she had certain property rights on the land for at least the 30-year period. Apple growers are not interested in establishing an orchard unless they have at least a 25 to 30-year planning horizon. (p. 26)

The length of tenure also influences the ability to realize the agri-tourism elements of the vision for the Lands. [...] [T]he benefits of agritourism on the Subject Lands cannot be expected to occur until there is certainty over the necessary payback period. (p. 26)

5.2 Our Scenarios for the Subject Lands

We decided to study the following six scenarios:

- **Scenario # 1** – 30-Year Renewable Leases with no Termination Clause on all of the Subject Lands
 - Scenario # 1A* – Incremental Impact of Tourism
 - Scenario # 1B* – Incremental Impact of Carbon Sequestration
 - Scenario # 1C* – Incremental Impact of the Research/Incubation Centres
 - **Scenario # 2** – The Subject Lands Form Part of a Larger “Farmland Cluster” with 30-Year Renewable Leases with no Termination Clause on the Subject Lands
 - **Scenario # 3** – 20-Year Leases with no Termination Clause on Half the Subject Lands and 30-Year Renewable Leases with no Termination Clause on the Remaining Half of the Lands
 - **Scenario # 4** – 10-Year Leases with no Termination Clause on all of the Subject Lands
 - **Scenario # 5** – 10-Year Leases with a Termination Clause on all of the Subject Lands
 - **Scenario # 6** – Economic Impact of Permanent Loss of Agricultural Use and Natural Habitat with an Airport and Associated Development on the Subject Lands
- (pp. 26-28 [and 29-33, where each scenario is described and analysed in detail])

5.3 Annual Value of Agricultural Output Using Our Scenarios for the Subject Lands

Scenario # 1 – [...] With the Subject Lands being in permanent agriculture, the annual agricultural output of \$25 million is [...] based on the 6,700 acres of available cropland on the Subject Lands. (p. 29)

Not included in this vision are a few types of agricultural production such as greenhouse vegetable production since there are existing clusters in other regions of the province (e.g., Leamington) that will have a competitive advantage over such production on the Subject Lands. (p. 30)

Chapter 6 Economic Impacts of Scenario # 1 – 30-Year Renewable Leases

6.1 A Focus on Scenario # 1 with 30-Year Renewable Leases

In this chapter, we present the estimated economic impact associated with scenario # 1 (as outlined in the preceding Chapter) that reflects the vision of the Subject Lands being in permanent agriculture. The economic contributions due to agriculture and to tourism are quantified. This Chapter is devoted to scenario # 1 since it reflects our vision of what could occur on the Subject Lands if they could be farmed with 30-year renewable leases. (p. 34)

6.3 Economic Impact Associated with Farming on the Subject Lands

The current level of overall economic activity of \$7.0 million [...] per annum due to agriculture on the Subject Lands increases in scenario #1 by many multiples, to \$48.0 million across the province and to \$33.3 million within the York-Durham Region. (p. 35)

The volume of agricultural output on these 6,700 acres of \$25.1 million generates total economic activity within the region of \$33.3 million (first column) and up to \$48.0 million across the province. [...] (p. 35)

This level of economic activity requires 450 FTE jobs within the region and 612 across the province. [...] (p. 36)

This level of economic activity compares extremely well to the current levels [...]. As a result, with these Lands in permanent agriculture the number of jobs increases from 55 jobs across the province to 612 jobs, an eleven-fold increase. [...] (p. 36)

6.4 Economic Impact Associated with Tourism on the Subject Lands

The tourism potential is dependent on having a vibrant agricultural sector on the Subject Lands and provides another large contribution to the economy. A vibrant and diverse agricultural sector is a prerequisite for the tourism spending, which is shown in the third and fourth columns in Table 6.1, where the tourism spending by visitors within the Lands adds an additional \$78.4 million. [...] (p. 36)

This level of economic activity requires 1,440 jobs across the province to sustain this level of output, which results in \$48.4 million in employment income. Within the York-Durham Region the number of jobs is just over 1,000 [...]. (p. 37)

6.5 Economic Impact Associated with Agriculture Plus Tourism on the Subject Lands

The combined economic impacts of farming on the Subject Lands, and the resulting tourism made possible by the farming implied in scenario #1, result in initial expenditures of \$103.5 million by the farming community on the Lands and, and within the York-Durham Region by visitors to the Lands. [...] (p. 37)

Scenario #1 transforms the Subject Lands from being an economic desert with few province wide jobs and low overall economic activity (of \$7.0 million) to a vibrant farming and tourism area with \$221.2 million in annual economic activity. When the Subject Lands are farmed with 30-year leases, compared to current lease arrangements, the following can occur:

- Economic activity increases more than 30-fold (from \$7.0 million to \$221.2 million);
 - Employment increases almost 40-fold (from 55 FTE jobs to 2,052 FTE jobs);
 - Provincial GDP increases 28-fold (from \$3.7 million to \$103.1 million);
 - Taxes collected by all levels of government increase 27-fold (from \$1.6 million to \$43.5 million).
- (p. 38)

6.6 The Economic Impact of a Research and Innovation Centre and a Farming Incubation Centre on the Lands

[...] The Innovation Centre would be designed to have a focus on key areas requiring research results such as best management practices for carbon sequestration and retention in the soil's organic matter, and best practices and management techniques for organic crops, non-traditional world crops and livestock farming. The Farming Incubation Centre assists entrepreneurs interested in beginning new and different organic farming operations. (p. 38)

The combined Research/Incubation Centres have estimated annual expenditures of \$7.0 million, with 38% of these expenditures on wages and salaries associated with 25 employees. [...] (p. 38)

Total employment, based on indirect and induced effect is 43 jobs within the region and 98 across the province. [...] (p. 39)

The Research and Innovation Centre would require an estimated \$10 million to construct and furnish. [...] (p. 39)

Based on this capital expenditure, a temporary gross output impact of \$23.6 million will be made in Ontario of which \$13.4 million will be in the York-Durham Region. GDP of Ontario will temporarily increase by \$10.8 million of which \$5.7 million will be in York-Durham. During the construction phase, Ontario employment will temporarily increase by 131 person-years, of which 56 person-years will be in York-Durham Region. (p. 39)

6.7 Economic Impact Associated With Spending on Infrastructure

The economic output associated with the Subject Lands in this scenario requires spending on necessary infrastructure upgrades (e.g., land tiling, capital spending on apple orchards, some fencing, installation of new buildings, upgrading of existing houses and building of new homes, upgrading laneways and some roads, etc.). These expenditures are not recurring; however they do have a one-time impact that should not be over-looked. Our estimate of the associated economic impact based on the need to invest \$57.7 million is provided in Table 6.3 [...]. (p. 39)

Within the York-Durham Region, this infrastructure upgrade is estimated to create 621 jobs during the upgrade period and 1,180 jobs across the province. Economic activity throughout the province is boosted by \$136.3 million and by \$61.5 million within the region while the infrastructure rehabilitation occurs. (p. 40)

6.8 Economic Impacts Associated With Carbon Sequestration

Ontario and other Canadian jurisdictions have imposed a price on carbon emissions with the objective of reducing their carbon footprints and contributions to climate change. The current price determined by the Cap and Trade system is around \$20 per metric tonne. The Subject Lands in permanent agriculture can act as a carbon sink and sequester carbon to the tune of 0.68 metric tonnes per acre. (p. 40)

Our analysis results in a total land area of 8,844 acres (excluding roads, etc.) with a total farm area of 7,739 acres, of which a total of 6,700 acres is cropland. Using the total farm land would result in 5,263 tonnes of carbon being sequestered, whereas only 4,556 tonnes would be sequestered if the cropped area is used. At \$20 dollars per tonne of carbon, the avoided cost is \$105,250 when total farm area is used [...] The higher the carbon price, the higher the avoided costs, and the greater the impacts. (p. 40)

These savings are generated annually. They are treated as income that could be spent on other commodities rather than being used for paying for carbon generated. This extra income is a cost saving to society. [...] (p. 40)

Economic activity in Ontario would increase annually by \$222,000 and by \$160,000 in the region. [...] (p. 40)

The Lands were expropriated 45 years ago. If we were to look at the accumulated avoided losses at a 4% interest rate, the Lands would have accumulated, in 2016 prices, a total of \$12.7 million in cost savings from carbon sequestration. Maximum sequestration is allied to best agricultural conservation practices and protection of natural capital. (p. 41)

Chapter 7 Implementing the Vision

7.1 Introduction

The vision and associated economic benefits that flow from achieving it do not automatically materialize. A period of time is required, that could extend to a generation, to allow for the investments to bear their fruits, for the transformation of how the Subject Lands are farmed to be effected and for the new activities that could occur on these Lands to take shape. (p. 42)

An implementation strategy is required to achieve the potential benefits of an alternative use of the Subject Lands.[...] [T]he resource base and infrastructure once in place would attract visitors into the area to participate in on-farm activities (e.g., pick-your-own), enjoy nature and the country landscapes, and engage in other activities on the Lands from horseback riding to exploring trails and enjoying rural cuisine and special events. (p. 42)

7.2 Land Tenure and the Public's Custodianship of the Subject Lands

The vision of keeping the Subject Lands in permanent agriculture is predicated on a fundamental change of land use, granted by the federal government, and based on 30-year renewable leases. Such a tenure arrangement provides for the necessary certainty over a long enough planning horizon in order to ensure that any investment has a long enough pay-back period to make it worthwhile. [...] (p. 42)

[...] With the Subject Lands being in permanent agriculture, it is likely that custodianship will move from Transport Canada to another public body. A candidate is Parks Canada, which is already responsible for the RNUP that borders the Subject Lands to the west and the north, and which has agriculture as one of its main responsibilities. The custodian will be an integral part of the implementation strategy and its execution. Ideally, local governments would collaborate with the custodian to ensure maximum benefit for the local economies, given the decision to place the Subject Lands into permanent agriculture. (p. 42)

In addition to the custodian, other local groups should be championing the desired outcomes associated with the change in land tenure. These could include local federations of agriculture as well as other interest and advocacy groups. Local engagement and community efforts have proven to be crucial inputs into the success of rural areas in tapping into the vibrancy and dynamism of Metropolitan Zones. The examples and experiences of the Niagara Region and Prince Edward County in Ontario and Edmonton Countryside in Alberta are success stories to be emulated where the resource bases (grapes in Niagara and Prince Edward County and pristine nature around Edmonton) have been leveraged to sustain steady flows of tourists and visitors spending substantial new monies in these areas that would not have been spent without the involvement and efforts of community groups, local efforts, coordinated marketing plans and harmonized scheduled events. (p. 42)

7.3 Implementation Begins with Communication of What is Possible

The first component of the implementation strategy is communication to various audiences of the change in land tenure on the Subject Lands and the possibilities that exist with such change. [...] (p. 43)

Various farm organizations (general and commodity) within the province are a target audience [...] Some commodity organizations have new entrants to farming programs, and the potential to lease land would provide the new entrants with an opportunity to begin farming without the high capital costs associated with land purchases. [...] [Engage] the colleges and universities with programs in agriculture and tourism to make graduates aware of potential business and employment opportunities upon graduation. (p. 43)

[...] The proximity of the Lands to the large urban centres in the GTA makes them a major attraction and a destination for many repeat visits from close-by communities. Historical and cultural organizations should also be informed [...]. Families with young children should be targeted for short visits [...] (p. 43)

Press coverage through local news outlets (newspaper, radio, television) and use of social media should also be tapped to make as large an audience as possible aware of the opportunities on the Lands. Equally helpful here is to coordinate with the schools in the GTA for enticing field trips and special education programs about agriculture, food, culture and nature. Working with other organizations, such as the Greenbelt Foundation and Sustain Ontario, should also be considered as part of this awareness campaign. (p. 43)

7.4 A Potential Implementation Strategy for Transforming How the Lands are Farmed

Given that agri-tourism is dependent on a transformation of the type of farming that occurs on the Subject Lands, the implementation strategy must begin with agriculture. (p. 43)

The first component of the strategy is to develop a master plan of what parcels of land (on the Subject Lands) are most suited to what types of farming. [...] (p. 43)

A second component is to develop an inventory of those who might be interested in entering into long term leases to pursue specific types of agriculture. [...] (p. 44)

7.5 A Potential Implementation Strategy for Agri-Tourism and Tourism in General

A diverse farming sector that not only produces food but that can also help attract visitors to the region is the first step towards the realization of the agri-tourism component of the vision. Agriculture is the anchor base strategy for attracting visitors from the local base of the GTA and the tourism base to the region. While agriculture is only a part of the tourism strategy, it is a crucial and fundamental element of

this strategy. Pick-your-own programs, special events on the farms, local cuisine demonstrations and tasting, visiting farming families for a day or more, tractor rides, horseback riding, working beside a farmer, organizing tours of the farms and lectures on the farm for students in the area and beyond have all proven to be feasible, money-generating activities for many farming communities, particularly those in close proximity to urban centres. (p. 44)

These events need sponsors, planning and coordination among many segments of the community and other neighbouring communities. [...] The experience of Edmonton's countryside where several communities came together to formulate a tourism plan is a shining example of what coordinated local effort, joint programs, one common calendar and joint marketing can achieve. (pp. 45-46)

Agri-tourism is only one tourism attractor node; a few more attractors need to be explored and exploited. We have already mentioned leveraging the region's natural capital endowments of trails, birds, butterflies, and beautiful scenery. There are already many groups that frequent the area for cycling, hiking and rural food tasting. A much larger crowd can be attracted if one can tap into the network that connects these clubs [...] Equally relevant is tapping into the Visiting Family and Friends segment of tourism and the flow-through segment (passersby) with careful and strategic signage and programs. (p. 45)

A vision is only good if it guides action and is put into place. The transformation of the region is feasible and the rewards are high and realistic. The challenge is to mobilize the local community and the communities around it to work together for their common good. (p. 45)

The custodian is a major agency for change. It should be seen as not simply managing the land area but also managing all the potential that can be actualized. (p. 45)

Chapter 8 Economic Impacts of Scenarios # 2 to # 6

8.1 Overview

In Chapter 6.0 we presented the economic impacts of Scenario # 1 (30-year renewable leases with no termination clause), the option best suited to preserving the natural capital of the Subject Lands and the one that most closely tallies with our vision for the Lands. In this Chapter, we look at the estimated economic impacts of the five other scenarios studied, and compare them with the current economic output of the Lands under 1-year leases. (p. 46)

[This chapter largely covers economic impacts of scenarios that make assumptions about farmland outside the Subject Lands and scenarios that deal with shorter-term or non-renewable leases, of which at least one has leases containing an early-termination clause. These options are seen as either less than optimal or less controllable, so none of the discussion and analysis to do with these scenarios has been included in this Brief. Scenario #6, however, regarding the economic impact of losing the Lands to urban development, is covered nowhere else in the report, so the discussion appears here in detail.]

8.6 Economic Impacts of Permanent Loss of Agricultural Use and Natural Habitat - Scenario # 6

This last scenario is based on the premise that the Subject Lands would no longer be in agriculture and will have no natural habitat. This could occur with developments that transform the area into an industrial area, a commercial area, a housing development or an airport. In such a scenario there will be permanent losses:

- The loss in economic activity and resulting economic impact from agricultural use and related tourism triggered by whichever [*other scenarios*] unfold;
- The loss of all benefits resulting from the Research/Incubation Centres on the Subject Lands;
- The loss of the Subject Lands' annual carbon sequestration impact;
- The loss in the value of the eco-services provided by the Subject Lands. (p. 52)

The loss of eco-services is not inconsequential. There are an estimated 1,105 acres on the Subject Lands that are not used for farming, such as wetlands, woodlots, streams, etc., that provide amenities and/or ecoservices. Based on research conducted by the David Suzuki Foundation, the value of these services totals \$6.1 million per annum [...]. This value will be lost each year if the Subject Lands are transformed from the use patterns implied in each of the other scenarios. (p. 52)

The losses can exceed \$237 million in economic activity across the province each year, plus the value of ecoservices which is valued at \$6.1 million per annum [...]. This combined annual loss of possibly \$240 million per year will be a permanent loss to society. (p. 53)

Chapter 9 Beyond Economics: Why the Subject Lands Are Valuable

Our analysis, to this point, has focused on attributes of the Subject Lands that can be quantified, including the attributes of agricultural production due to soil quality and temperate climate, and the attribute of proximity to the urban GTA, which makes the Lands an attractive destination for day trips. (p. 54)

[...] [T]he value of the Subject Lands is far greater than the economic contributions they make as a result of these attributes. Economics alone offer a truncated and distorted picture and cannot do justice to the Lands' worth to present-day communities or their value to future generations. (p. 54)

The Lands are at the intersection of nature, culture, agriculture and history. They are a place of natural wetlands and green spaces. They are a carbon sink. They remain a major source of food. They contain many historical sites, including early settlements and sacred grounds of First Nations. (p. 54)

[...] Many environmental benefits will accrue upon the expansion of local food production. These benefits may be in terms of some reduction in GHGs, savings in water use, improvements in air quality due to reduction of air pollutants and energy savings from a closer match between production and consumption of food. Add to this the enormous benefits that arise from the preservation of natural capital. The latter is the basis of sustainable development where future generations are allowed to enjoy the same services and amenities this natural capital provides to the present generation. The Subject Lands are also a carbon sink that can sequester carbon that otherwise will remain in the atmosphere contributing to global warming and climate change. (p. 54)

[...] Notwithstanding the difficulties of quantification, green spaces afforded by the Subject Lands are a significant non-quantifiable benefit. (p. 55)

While the value of cultural industries has traditionally been seen only in cultural and social terms, the rise of the services sector is changing this traditional perception so that cultural production is increasingly being seen as a core activity in the new economy. [...] (p. 55)

There are an estimated 1,105 acres on the Lands not used for farming, such as wetlands, woodlots, streams, etc., that provide amenities and/or ecoservices. [...] [T]he value of these services totals \$6.1 million per annum [...]. This value will be lost each year if the Subject Lands are transformed from [*agricultural*] use patterns [...]. This value underestimates the contributions of the Subject Lands to aesthetics, recreation, culture, heritage and as a habitat for endangered species, as these services are not fully accounted for. (p. 55)

The above discussion is only a reminder of the many non-monetary contributions the Subject Lands can make to sustaining natural amenities and healthy living. They are priceless and no less important than all of the economic values the Subject Lands sustain in the region and in Ontario. Furthermore, keeping the Subject Lands in permanent agriculture preserves culture and heritage: this is land with a long history, harbouring evidence of First Nations settlements, early European immigrants, and generations of those who subsequently lived on these Lands and worked the soil. (p. 55)

Chapter 10 Concluding Remarks

Over the last four decades, 6,700 acres on the Subject Lands have been farmed using 1-year leases. [...] The consequence has been that the Subject Lands are primarily used to grow cash crops such as corn, soybeans and wheat. This use is in stark contrast to what the farmland produced prior to expropriation by the federal government in 1972, and represents a failure to take advantage of the best land use opportunities offered by the Subject Lands given their natural capital and proximity to the urban GTA. Due to the uncertainty and absence of investments on the Subject Lands, today the area can be described as an economic waste land. (p. 56)

The longer term planning horizon offered by a 30-year renewable lease should allow for investments in the type of farming that can occur on the Subject Lands, which can substantially increase agricultural output and associated economic activity. Agricultural output could easily increase over six-fold and employment opportunities could increase many-fold, transforming the region from an economic wasteland to a vibrant community. [...] (p. 56)

[...] Given the natural capital of the Subject Lands and their proximity to the urban GTA, with a more diversified farming base, the agri-tourism and overall tourism potential will surpass the contributions of a rejuvenated farm sector (on the Subject Lands). Annual expenditures by the farm sector and by visitors to the Lands would increase from the present \$3.7 million to \$103.5 million. Households in the area would see a major income increase, property values would increase and all levels of government would see major increases in their revenues. The above are annual contributions to the economy. An estimated one-time investment expenditure of \$57.7 million is required to rejuvenate the Lands. This investment would include land tiling, planting apple orchards and berry crops, constructing new buildings, drilling new wells, upgrading laneways and some roadways. This non-recurring capital

expenditure has an associated impact of 1,180 full-time equivalent jobs, expenditures on wages and salaries of \$47.0 million and an overall temporary boost to economic activity in the province of \$136.3 million. (p. 56)

[...] [T]he Subject Lands are well suited to having a Research and Innovation Centre with a focus on farm management practices, carbon sequestration and adaptation to climate change. There can be an adjoining Farming Incubation Centre for entrepreneurs wanting to begin farming, have market gardens to supply local food channels, and/or specialize in organic crop production. There are other benefits that can be considered, including the annual value of carbon sequestration on these Lands of \$105,000 per annum and the amenities and eco-services provided by the natural habitat on the area not farmed of \$6.2 million each year. (p. 56)

The Subject Lands are at the intersection of nature, culture, agriculture and history. It is the combination of these factors that gives them their worth and value. Focusing on the economic aspect alone presents a truncated and distorted picture of their contributions. Their environmental, historical and cultural attributes bestow value on these Lands far in excess of their economic worth. (p. 56)

It is our considered judgement based on evidence that there are significant quantitative and qualitative benefits to be realized in the York-Durham Region and across the province by enabling the Subject Lands to be in permanent agriculture, through the use of 30-year renewable lease arrangements with farmers and entrepreneurs who share the vision of what is possible and feasible on the Subject Lands. (p. 57)

“In Brief” was compiled by Land Over Landings from the Final Report. PDFs of the complete Report and Annexes are available at <http://landoverlandings.com/be-informed/resources/>.

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