



Economic Development Goals

It's all about property tax revenue

- Net increase in annual property tax revenue
- Reduce residential tax burden

A 3D bar chart titled "2013" showing the distribution of property tax revenue. The vertical axis represents percentages from 0% to 100% in 20% increments. There are two bars: a green bar for "Residential" at 89% and a blue bar for "Balance" at 11%. A legend on the right identifies the colors.

Category	Percentage
Residential	89%
Balance	11%

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Erin Tax Distribution

CLASSIFICATION	DESCRIPTION	CODE	RETURNED ASSESSMENT	TAX RATIO	TAX REDUCTIONS	WEIGHTED RATIO	WEIGHTED ASSESSMENT	TAX RATE	PROOF OF TAX	
Residential	res/farm	RT	\$1,610,381,832	1.000000	0.00%	1.000000	\$1,610,381,832	0.00290791	\$ 4,682,849	89%
	multi-res	MT	\$ 5,648,000	1.953657	0.00%	1.953657	\$ 11,034,255	0.00568106	\$ 32,087	
Commercial	commercial farmland class I			1.000000	25.00%	0.750000	\$ -	0.00218093	\$ -	5%
	commercial	CT	\$ 56,067,556	1.419783	0.00%	1.419783	\$ 79,603,763	0.00412860	\$ 231,481	
	commercial excess land	CU	\$ 1,491,462	1.419783	30.00%	0.993848	\$ 1,482,287	0.00289002	\$ 4,310	
	commercial vacant land	CX	\$ 2,696,125	1.419783	30.00%	0.993848	\$ 2,679,539	0.00289002	\$ 7,792	
	new commercial	XT	\$ 2,739,975	1.419783	0.00%	1.419783	\$ 3,890,170	0.00412860	\$ 11,312	
	Supp New ConstrOffice	YT	\$ 2,039,000	1.419783	0.00%	1.419783	\$ 2,894,938	0.00412860	\$ 8,418	
	new construction office vacant land	YU	\$ -			\$ -		\$ -		
Industrial	industrial	IT	\$ 20,247,263	2.444000	0.00%	2.444000	\$ 49,484,311	0.00710694	\$ 143,896	11%
	Large industrial	LT	\$ -	2.444000	0.00%	2.444000	\$ -	0.00710694	\$ -	
	industrial farmland class I		\$ 121,250	1.000000	25.00%	0.750000	\$ 90,938	0.00218093	\$ 264	
	industrial farmland class II	14	\$ -	2.444000	0.00%	2.444000	\$ -	0.00710694	\$ -	
	industrial taxable shared	IH	\$ 376,000	2.444000	0.00%	2.444000	\$ 918,944	0.00710694	\$ 2,672	
	industrial excess land	IU	\$ 765,250	2.444000	35.00%	1.588600	\$ 1,215,676	0.00461951	\$ 3,535	
	large indus excess/vacant	LU	\$ -	2.444000	35.00%	1.588600	\$ -	0.00461951	\$ -	
	industrial vacant land	IX	\$ 3,106,750	2.444000	35.00%	1.588600	\$ 4,935,383	0.00461951	\$ 14,352	
	new construction industrial	JT	\$ -	2.444000	0.00%	2.444000	\$ -	0.00710694	\$ -	
	new constr ind vacant land		\$ -	2.444000	35.00%	1.588600	\$ -	0.00461951	\$ -	
	pipeline	PT	\$ 1,822,750	2.142344	0.00%	2.142344	\$ 3,904,958	0.00622975	\$ 11,355	
Farmland	farmlands	FT	\$ 195,547,059	0.250000	0.00%	0.250000	\$ 48,886,765	0.00072698	\$ 142,159	3%
Managed Forests	managed forests	TT	\$ 9,333,495	0.250000	0.00%	0.250000	\$ 2,333,374	0.00072698	\$ 6,785	0%
TOTAL									\$ 5,303,268	

Town of Erin approved 2013 budget

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Economic Development Drivers

Tax Classification	Source of Tax Revenue Growth	Key Drivers	Development Requirements
Commercial	Capital improvements (expansion, new, retention)	Larger client base	Awareness Suitable properties to lease or buy
<i>Business-to-Business</i>		<i>More local businesses</i>	Favourable business climate
<i>Business-to-Consumer</i>		<i>More local consumers More visitors</i>	
Industrial (Mfg)	Capital improvements (expansion, new, retention)	Competitive costs relative to other areas	Serviced land Favourable business climate
Farm	Capital improvements (expansion, reallocation, retention)	Increased demand	Awareness Favourable business climate

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Equine Businesses

EQUINE OPERATIONS

- **Horses**
 - breeding, sales, training & conditioning
- **Competitive Winnings**
 - eventing / showing, racing, harness racing, rodeos
- **Riding Instruction**
 - lessons, coaching, camps
- **Recreation / Leisure**
 - trail rides
- **Facilities**
 - boarding, fee for use, gate fees

EQUINE SUPPORT SERVICES

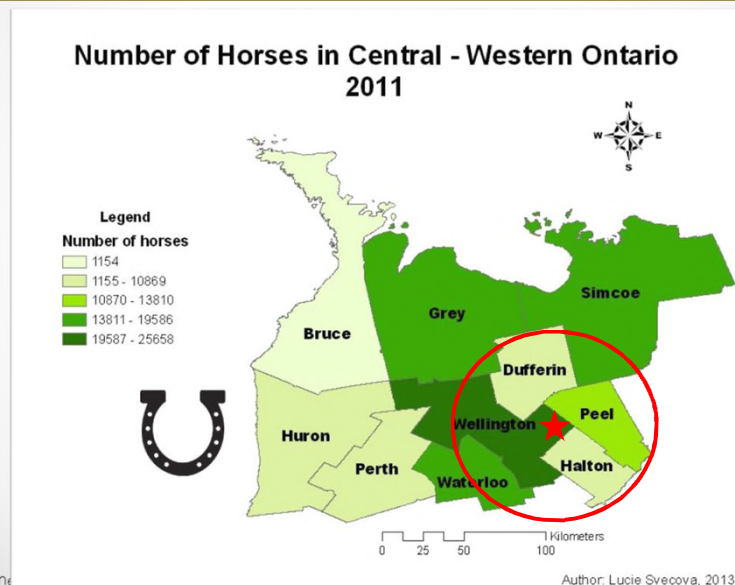
- **Equine Services**
 - clinics, workshops, judging,
- **Care & Feeding**
 - feed/hay, horse health, horse maintenance
- **Commercial / Retail**
 - tack, carriages, clothing
- **Operations**
 - facility construction, property maintenance, administration
- **Ancillary**
 - B&B, photography, journalism

Equine in Erin

- ~250 equine-related businesses and services in Erin
 - roughly 60/40 split between equine operations and support services
- Total average annual gross revenues ~\$18 million
 - Business average = \$72,000
- 66% of gross revenues earned in Erin
 - Equine operations 43%, equine support services 87%
- 50% of equine operations derive 100% income from equine
 - Equine operations operate an average of 2.6 enterprises
- ~750 local jobs
 - ~384 full-time jobs , ~235 part-time jobs in Erin, skilled & semi-skilled

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Gateway to Horse Country



Erin Equine

Marketing

Increase market > increase sales > capital improvement /
new business attraction > increase property tax revenue

Market

- Visitor
 - GTA's equine playground – huge market potential
 - Event spectators
- Resident horse enthusiasts
 - Boarders, hobby farms
- Equine workforce
 - Work here, spend here

Competitive Edge

- Proximity to GTA
- Appealing landscape
- Equine infrastructure and expertise
- Nearby event facilities
- High population of horse enthusiasts

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Riding Infrastructure

Infrastructure draws horse enthusiasts = sales

Facilities for:

- Events
- Workshops/clinics/
- training
- Horse auctions

Trails for pleasure riding

Capital and resource intensive

∴ start with one

Recommend trails because:

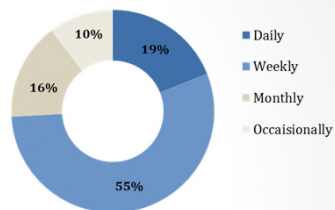
- Private industry is building the facilities; already a number in or nearby Erin, some underutilized
- Private industry won't build public trails
- Doesn't require sewage treatment plant, new roads or utilities
- Trails were a common denominator
- Need for trails identified by participants

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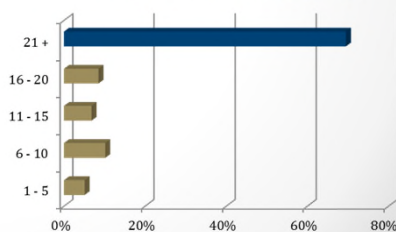
Riders love to ride

... and have the time & money to do it

- **Rider Profile**
 - Women, 40-59 yrs
 - Avg household income \$150K
 - 2/3 not employed full time
- **Ride frequently**
 - 74% of recreational ride at least once per week; almost 1 in 5 ride daily
- **Will ride as long as possible**
 - Overwhelming majority plan to continue riding for 20 years or more.
 - Only 5% plan to stop in next 5 years



Plans to Keep Riding (yrs)



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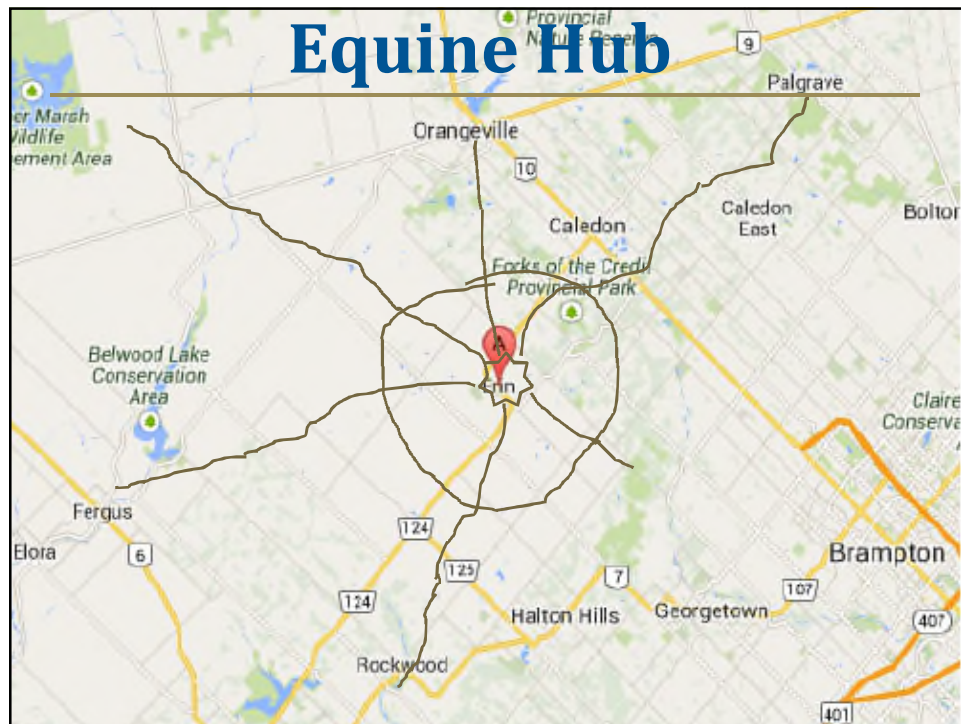
Trail Network

FEATURES

- Link to event facilities
- Link to other destinations
- Safe riding experience
- Trailer facilities
- Hitching posts
- Excursion opportunities, e.g., bed and bale

“Many participants designated the Erin area as a good place for horse trail development. Especially high concentration of horses and horse facilities, as well as having a positive approach towards horse trails by the Erin township administration, make **Erin the most suitable area for this kind of project.**”

Lucie Svecova, *Equine Trail Development in Wellington County* (2013)



Equine Manufacturing

- **Capitalize on horse culture**
 - Exposure to end market users
- **Easier to market to a target industry**
 - Defined market with existing marketing structure e.g., industry-specific publications, trade shows, etc.
- **Marketing efficiencies**
 - Tradeshows – market Erin and solicit manufacturers at the same time
 - Leverage advertising rates - potential discount for two advertisements
- **Community support**
 - Sponsorships, donations, scholarships & bursaries
- **Foundation work for future industry attraction**

Sustainability

Foster equine-friendly business climate

- Leverage alliances, partnerships, collaborations
- Industry participation
- Maintain and expand equine infrastructure & services
- Local government enablers, e.g., zoning, by-laws, permits
- Encourage local consumption
- Community awareness of the value of equine
- Key performance indicators

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Conclusion

- Don't have to start from scratch. Build on an existing strength, capitalize on proximity to GTA population
 - More cost efficient, quicker results, faster payback
 - Aligned with neighbouring interests – alliances, leverage, partnerships, cost-sharing
- One of the most benign ways to maximize tax revenues without unduly changing the character and landscape of Erin
- Work within parameters of existing zoned & serviced land (full build-out)
- Foundation for broader economic development

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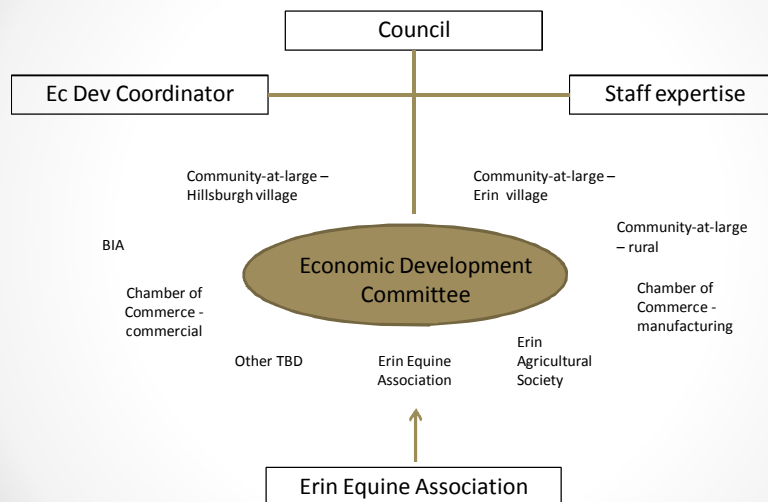


Recommendations

- Adopt equine as the initial economic development engine
- Focus on marketing Erin as the GTA's equine playground
- Expand trail infrastructure to attract riders and leverage nearby event facilities
- Attract equine manufacturing for maximum tax revenue growth
- Use equine to establish economic development framework

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Operating Structure



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Investment

- Economic development coordinator
- Access to staff expertise and Town resources
- Funding of \$134,400 in 2014
 - Economic Development Coordination \$62,400
 - Marketing & Communications \$27,000
 - Trail Development & Signage \$45,000
 - 50% from RED funding
 - Potential supplementary resources from U of Guelph graduate student applications

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Deliverables

- Phase I Economic Development
 - Objectives, key performance indicators, accountability measures
 - Equine action plan with timeline
- Vigorous Economic Development Committee
 - Model for other committees
- Information
 - Inventory of land and buildings for sale / lease
 - Inventory of economic development barriers
 - Inventory of equine businesses
- Marketing Plan
 - website, social media tools
 - print materials
- Trail development plan

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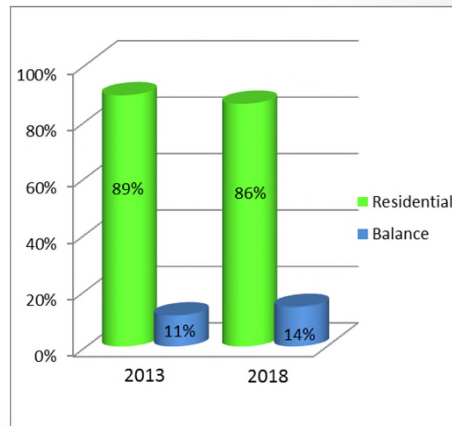
Return on Investment

6.6 Year Investment Payback **\$200,000 annual increase in revenue** **3% Reduction in Residential Tax Burden**

ASSUMPTIONS

- 5-year full build out
- 2013 tax rates
- 20% increase in property value from expansion
- 200% increase in property value from new build
- \$500k economic development investment over 5 years
- Development charges, permit fees, etc. not included
- Everything else status quo

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Resolutions

- Receives the Equine Economic Development Report
- Recognizes that actively pursuing economic development is critical to ensuring a sustainable and equitable tax revenue base for the future
- Acknowledges that equine is a major economic contributor in the Town of Erin
- Adopts the equine industry as the first economic development engine for the Town
- Consider funding the recommendations and action items in the 2014 budget

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