

Niagara FTZ office moving to Fort Erie

By Allan Benner, The Standard
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David Oakes

Niagara FTZ office moving to Fort Erie Nearly 18 months after Niagara was designated as Ontario's first foreign trade zone, the Region's is now finalizing details of how that organization will operate.

After more than a year of operating within the Niagara Economic Development offices in Thorold with federal government funding, the Niagara Foreign Trade Zone — first announced April 15, 2016 to provides businesses with easy access to government programs that defer or eliminate duties and taxes from products destined for export — will be moving to Fort Erie in 2018, to share the town's Economic Development and Tourism Corporation offices on Garrison Road.

Although it will continue to receive operational direction from Niagara Economic Development, its daily operations will be managed by Niagara Development Corridor Partnership Inc. (NDCPI) — a non-profit team comprised of economic development officers from municipalities across Niagara.

And the organization could also receive an annual budget of about \$500,000, provided by the local economic development agencies and the federal government's Global Affairs Canada program.

St. Catharines Coun. Bruce Timms, however, suggested providing far more funding than that for the initiative.

During a Regional planning and economic development committee meeting Wednesday, Timms said economic development has been the Region's "focus for the past few years, and it's exactly where we should be spending our money."

Niagara's economic development director David Oakes said annual funding for the FTZ will include \$225,000 from Niagara Economic Development, and \$25,000 from the Niagara Development Corridor Partnership Inc., and matching funding from the federal government's Global Affairs Canada for a total \$500,000.

"There's also a significant amount of private sector opportunity that exists for companies that want to get into bonded warehouses and that sort of thing," Oakes said.

"What if we have \$1.6-million for this foreign trade zone and didn't have to pull anything out of the NDCPI?" Timms asked.

"It's a question of priority," he added. "I think the foreign trade zone is our business, we've decided it is our business and we've committed much to it. It's the same with the Niagara Development Corridor which is also a project that we've committed to."

Oakes said Niagara Economic Development currently provides about \$225,000 for business incubator programs, which would be reallocated to the Niagara Foreign Trade Zone.

Timms said, "It appears we need \$225,000 to do a proper job at the Niagara Foreign Trade Zone and we have to rob another program of \$225,000 in order to do that."

He said it's an issue he hopes to discuss during 2018 budget discussions.

Fort Erie Coun. Sandy Annunziata said the community he represents is the ideal location for the FTZ offices.

"When you look at what the FTZ does, certainly it first benefits the companies already in Niagara including freight forwarders, third party logistics, manufacturers, distributors and processing operations and all those really unique specialty businesses are located in Fort Erie," he said. "That's why Fort Erie is perfectly located to house the bricks and mortar operations."

Pelham Mayor David Augustyn, however, pointed out that the foreign trade zone designation includes all of Niagara.

"We want to make sure we don't pigeon hole people in, because this is part of the item that did bring GE here as well, and that's in Welland," Augustyn said, adding he wants to ensure that all the municipalities can benefit from the designation.

Depending on the future success of the program, Oakes said the Niagara Foreign Trade Zone may need to have additional offices throughout the region in years to come.

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