Economic Development Opportunity Analysis:

The Town of Greater Napanee

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Jupia Consultants Inc.

October 2020

naturally LEA
INSPIRING BUSINESS POSSIBILITIES
Township of Addington Highlands
2 hours from Ottawa
3 hours from Montreal
Southeastern Ontario
Township of Stone Mills
20 minutes from Kingston
401
2 hours from Toronto
401
Greater Napanee
Loyalist Township
40 minutes from U.S. border
Lake Ontario

The Town of Greater Napanee

The beauty will draw you in, the potential for success will seal the deal.

In L&A you get small town charm and rural beauty without going too far off the beaten path. That's because we are ideally situated between Toronto, Ottawa, Montreal within driving range of nearly 1/3 of North America's population and easy access to the USA border. L&A is bursting with opportunity and is the perfect location to live or run a business.

Greater Napanee - It's not business as usual... it's better!

From large international corporations to successful home-grown ventures, and talented artisans to award-winning microbreweries, The Town of Greater Napanee in Lennox & Addington County truly has it all! Plus, if you are a business owner, developer, investor or site selector, you have a **full-service economic development team** focused on helping you get what you need to be successful. Contact us for funding, networking, finding your ideal location and more.

ALLOW US TO SHOW YOU AROUND.

NaturallyLA.ca
ecdev@lennox-addington.on.ca

Greater Napanee

Population

16,600

Township of
Addington Highlands

Population

2,400

naturally LEA

Population

45,000

Loyalist Township

Population

18,000

Township of
Stone Mills

Population

8,000

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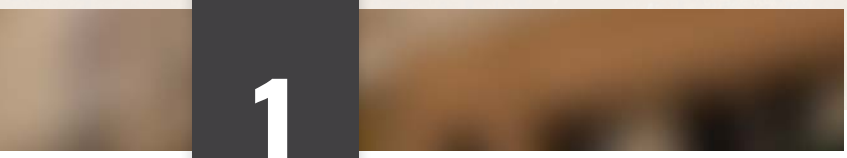
Highway 41 provides direct access to Highway 7
Highway 401 bisects Greater Napanee traveling east/west.
Highway 33 marks the route of the historic Loyalist Parkway
A CN rail line provides freight and Via Rail passenger service.
Greater Napanee
Roblin
Forest Mills
Selby
Napanee
Sandhurst
Conway
Dorland
Adolphustown
4
41
401
49
33



1

Community overview

1.1 Welcome to Greater Napanee

The community

Situated along Highway 401; Greater Napanee is a growing community that stretches from the shores of the Bay of Quinte on Lake Ontario, north to Roblin. The urban centre of Napanee which is home to the Town and County administration offices features a charming downtown with an active commercial district and serves as a shopping and dining centre for the region. Other hamlets offer an array of parks, trails and residential areas. The waterways in Greater Napanee feature public docks, boat launches, playgrounds, walking trails, and picnic areas.

Farm-based businesses, waterfront cottages, golf courses and other tourist related food and accommodation businesses are located throughout Greater Napanee. Residents and visitors enjoy the parks, trails and conservation areas throughout the Town. The Town also has an active arts and culture scene with public art, local concerts and theatre.

The workforce

When compared with the province overall, the workforce in Greater Napanee has a higher concentration of employment in:

- Utilities
- Construction
- Manufacturing
- Health care
- Accommodation & food services
- Public administration
- Agriculture

Major employers in Greater Napanee include:

- Goodyear Tire and Rubber (this is the largest manufacturing company in the area)
- Bag to Earth
- Canadian American Transportation
- Continental Conveyor
- GT Machining & Fabricating
- RC Industrial
- Rogan Kitchen Manufacturing

Noteworthy employers:

The Lennox and Addington County General Hospital - provides comprehensive care & employs approximately 270 people.

The Napanee Power Generating Station - This 900-megawatt natural gas power plant is owned and operated by Ontario Power Generation subsidiary Atura Power.

Population trends

In the past few years the town's population has been growing modestly, rising by 4.4% over the past decade.

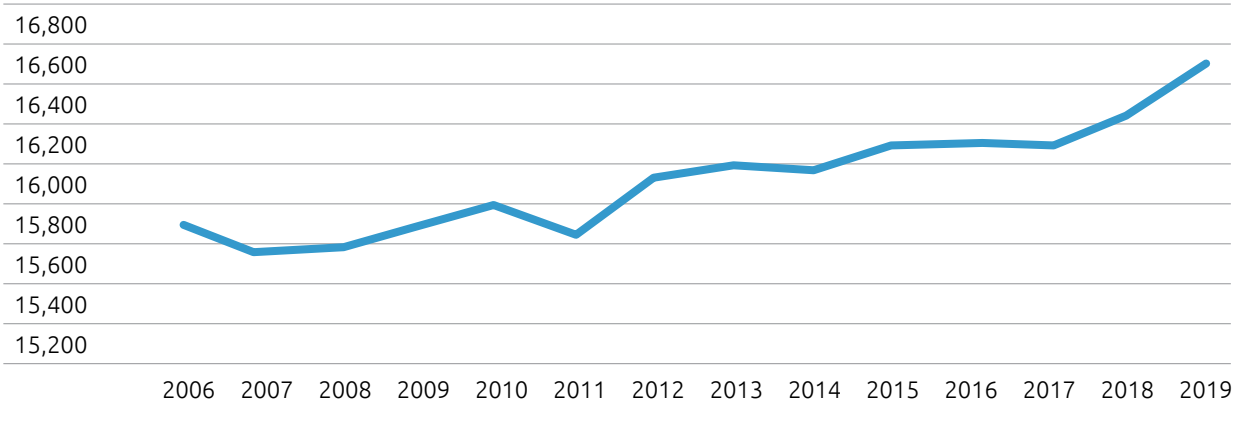
However, the median age was 49 years at the time of the 2016 Census meaning the population is considerably older than the province (41.3) as a whole. This is an important reason why the town is looking to attract younger workers and families to ensure the economy has enough workers to meet labour demand into the future.

4.4%
population increase in the last decade

93%
relocated from within Ontario

Figure 1

Population of Greater Napanee, 2006 to 2019



Source: Statistics Canada Table: 17-10-0142-01.

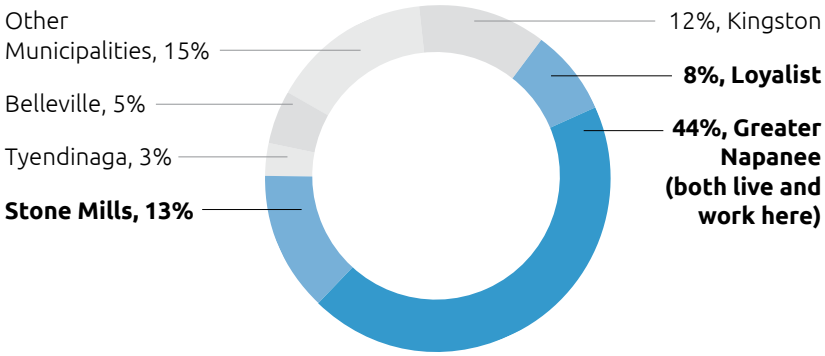
The Town understands the importance of attracting new residents in the coming years. In fact, Greater Napanee does have an ability to attract population.

In 2016 there were nearly 2,700 people living in the town who lived elsewhere five years earlier.

This represented over 18% of the town's population and was a migration rate above the provincial average. Most people moving into Greater Napanee come from elsewhere in Ontario (93%).

Figure 2

Daily commuter locations (% of total)



Source: Statistics Canada 2016 Census.

Workforce trends

The Greater Napanee workforce is integrated into the regional economy. Nearly half of the workforce living in the Town commutes elsewhere for work every day. The top destinations for the workforce living in Greater Napanee, in addition to the town they live in, are Kingston and Belleville. At the same time, industries in Greater Napanee attract workers from a wide area around the town.

Industry / economic trends

Greater Napanee is the traditional commercial centre for Lennox and Addington County. There are over 1,400 different business establishments (private and public sector) in the town, the largest types include:

- 150+ construction firms
- 100+ professional services firms
- 120 retail trade firms
- 95 health care and social assistance establishments
- 50 accommodation and food services establishments
- 110+ other local services providers

Table 1

Firms / establishments with 50+ employees in Greater Napanee

50-99 EMPLOYEES	100-199 EMPLOYEES	200-499 EMPLOYEES	500+ EMPLOYEES
Four manufacturing firms (machinery, transportation equipment and plastics)	Cannabis producer	School and employee bus transportation firm	Tire manufacturing
Two restaurants	Supermarket	Hospital	Elementary and secondary school
Nursing home	Department store	Local or regional government services	
Vocational rehabilitation provider	Community care facility		
Home & auto supplies store	Local or regional government services		
Fuel dealer			
Baked goods store			
Waste treatment facility			

Source: Statistics Canada business counts, June 2020.

*Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue. Because this data is based on 2019 financial data submitted to the Canada Revenue Agency, the June 2020 business counts are not reflecting impacts related to the Covid-19 pandemic.

2

Seeking entrepreneurs and investors: The opportunities

2.1 Commercial / retail investment

The Town of Greater Napanee, is a growing community of 16,600. The Town is the retail, services and health care hub for Lennox and Addington County with a population of 45,000. Greater Napanee is also the hub for regional business including construction, manufacturing and health care.

Sales and service is the largest occupation group with nearly 1,800 people employed.

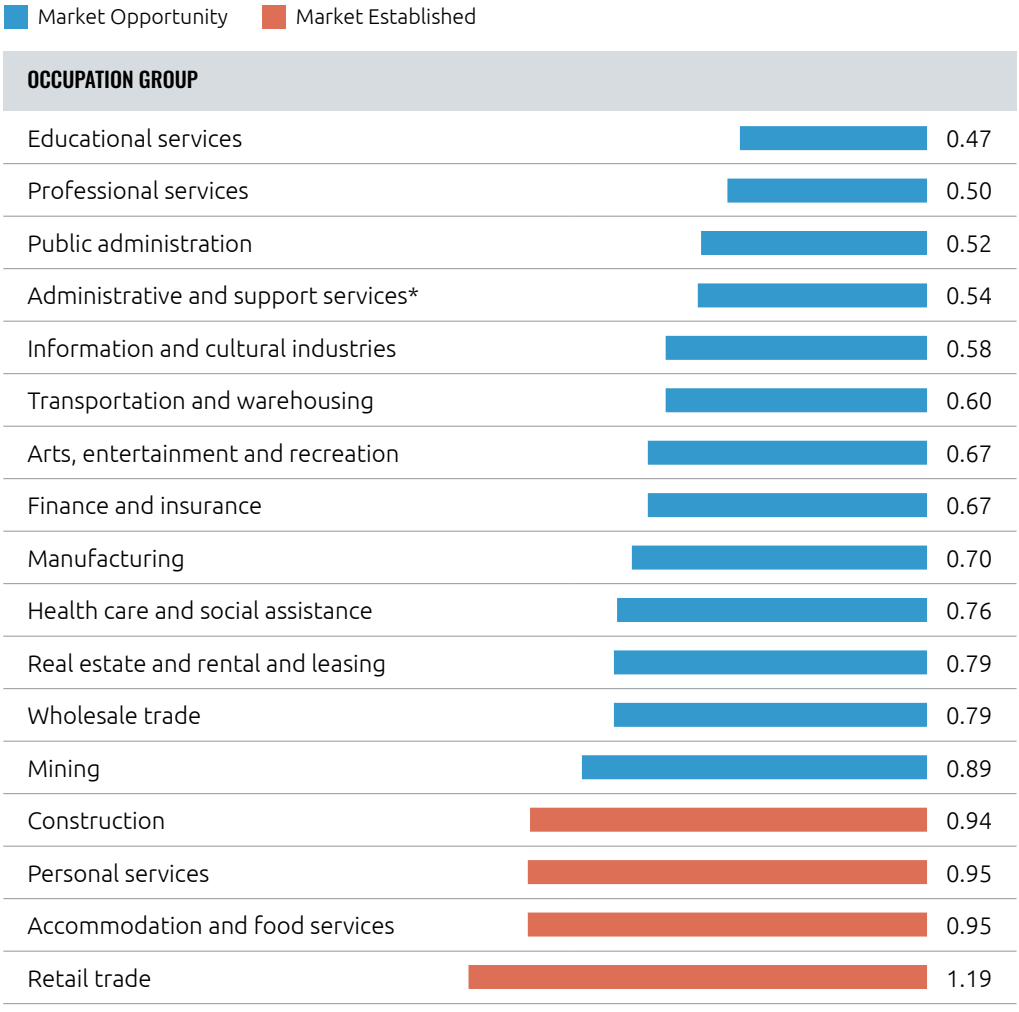
The local population growth is creating opportunities to access an expanding pool of workers for commercial businesses.

As shown on the next page in Figure 3, Greater Napanee is already an established retail and services hub with a close to average or above average number of establishments in retail trade, accommodations and food services, construction and personal services, relative to population size. Greater Napanee services a wider area for both public and private sectors services.

Figure 3

Business concentration by population (Canada = 1.00)

Although heavily represented on the below chart, there are still considerable opportunities for retail, commercial and services growth in Greater Napanee.



*Includes waste management and remediation services. Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue. Source: Statistics Canada business counts, June 2020

Opportunity: Retail trade

Retail trade market opportunity*

As discussed earlier, Greater Napanee is positioned as a retail trade hub between Belleville and Kingston with a regional population of well over 200,000 including rural communities north of the 401.

See Table 2 to see how this breaks down by broad retail trade sub-sector.

*Estimates have been adjusted for population size, based on retail trade data for Ontario per year/per sector.

Greater Napanee - $263 million in total

- Motor vehicle and parts dealers - **$70.5 million**
- Food & beverage stores (including grocery stores) - **$52 million**
- General merchandise - **$29 million**

Belleville-Kingston corridor - $3.5 billion in total

- Motor vehicle and parts dealers - **$935 million**
- Food & beverage stores (including grocery stores) - **$683 million**
- General merchandise - **$390 million**

Table 2

Implied market size for selected retail trade sectors, 2019

INDUSTRY	GREATER NAPANEE ($MILLIONS)	BELLEVILLE-KINGSTON CORRIDOR ($MILLIONS)
Retail trade (all sub-sectors)	**$262.7**	**$3,482.1**
Motor vehicle and parts dealers	$70.5	$934.8
Food and beverage stores	$51.6	$683.3
General merchandise stores	$29.4	$390.3
Gasoline stations	$27.5	$364.9
Health and personal care stores	$22.8	$302.4
Clothing and clothing accessories stores	$17.7	$234.0
Building material and garden equipment dealers	$15.9	$210.1
Furniture and home furnishings stores	$8.7	$114.9
Electronics and appliance stores	$6.5	$86.1
Sporting goods, hobby, book and music stores	$5.4	$72.0

Derived using Statistics Canada Tables 20-10-0066-01, 17-10-0142-01 and 17-10-0139-01.

Potential gaps in the Greater Napanee retail trade market

Greater Napanee has an average or above average number of retail stores in most retail trade sub-sectors, relative to the size of its local population. This suggests the community is drawing customers from a wider region.

Above average number of retail stores:

- motor vehicle and parts dealers
- building materials dealers
- food and beverage stores
- health and personal care stores
- gasoline stations
- general merchandise stores

Below average number of retail stores:

- 0 electronic stores > market supports 3
- 7 clothing and accessories stores > market supports 13
- 3 sporting goods, hobby, book and music stores > market supports 5

Table 3

Retail trade establishments in Greater Napanee*

This table highlights the ratio of stores represented based on the population. You can quickly see how many of each type of industry is served as of June 2020 and what the projected target amount is.

INDUSTRY	WITHOUT EMPLOYEES	WITH EMPLOYEES	TOTAL COUNTS	INDEX (CAN=1.00)	TARGET #
Electronics stores	0	0	**0**	0.00	**3**
Non-store retailers	4	1	**5**	0.46	**11**
Clothing and clothing accessories stores	2	5	**7**	0.54	**13**
Sporting goods, hobby, book and music stores	2	1	**3**	0.59	**5**
Furniture and home furnishings stores	0	3	**3**	0.64	**5**
Food and beverage stores	5	15	**20**	1.19	**17**
Gasoline stations	3	7	**10**	1.42	**7**
General merchandise stores	0	7	**7**	1.54	**5**
Health and personal care stores	3	18	**21**	1.61	**13**
Miscellaneous store retailers	11	11	**22**	1.70	**13**
Motor vehicle and parts dealers	8	11	**19**	1.84	**10**
Building materials supplies	4	6	**10**	1.87	**5**

*Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue.
Source: Statistics Canada business counts, June 2020.

Opportunities here exist to serve the broader region

Greater Napanee is an opportunity for retailers looking to access the 220,000 or so living in the Belleville-Kingston Corridor. These niche or specialty retailers looking for a central location to service the wider region would be well positioned here. Both Kingston and Belleville are approximately a 30-minute drive from Greater Napanee.

Opportunity: Professional services

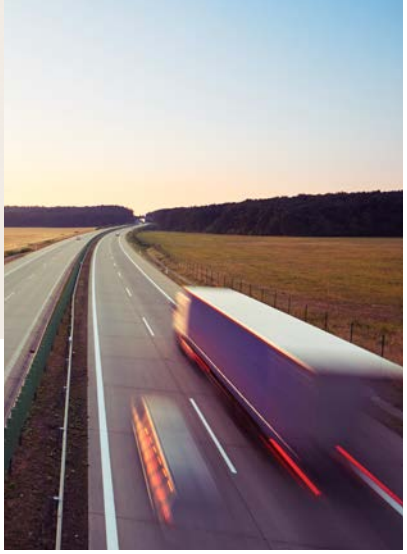
There are a number of professional services that are under-serviced in Greater Napanee relative to the population as highlighted in Table 4. Typically, these firms tend to cluster more in larger urban centres from which they can service larger markets. However, there are many opportunities where firms could benefit from being located in Greater Napanee to service customers in both Belleville and Kingston.

*101 professional services firms in Greater Napanee**

40 with employees / 61 without employees (min. revenue of $30,000 annually)

There are 14 legal services firms when a market the size of Greater Napanee could have 20. There are 16 architectural and engineering firms when the market is large enough to support 23. There are fewer legal services firms relative to the local market size.*

*Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue.



Other professional services such as management, scientific and technical consulting as well as advertising, public relations, and related services could be located anywhere.

Greater Napanee is a great place to set up these types of businesses because of lower costs and access to the main highway system.

Table 4

Professional services establishments and potential in Greater Napanee*

This table highlights the ratio of businesses represented based on the population. You can quickly see how many of each type of industry is served as of June 2020 and what the projected target amount is.

INDUSTRY	WITHOUT EMPLOYEES	WITH EMPLOYEES	TOTAL COUNTS	INDEX (CAN=1.00)	TARGET #
IT services	3	2	**5**	0.12	**40**
Management & other consulting service	15	4	**19**	0.37	**51**
Advertising, PR and related services	2	2	**4**	0.45	**9**
Professional, scientific & technical services	61	40	**101**	0.50	**203**
Specialized design services	3	3	**6**	0.62	**10**
Legal Services	2	12	**14**	0.69	**20**
Architectural, engineering and related	13	3	**16**	0.70	**23**
Other professional services	10	7	**17**	0.71	**24**
Accounting and related services	13	7	**20**	0.84	**24**

*Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue.
Source: Statistics Canada business counts, June 2020.

Opportunity: Personal services

Based on the Town's population size, there are a few sub-sectors with fewer than the expected number of firms.

Personal Care Services is an estimated $4 million per year industry in Greater Napanee that is presently under represented. Currently there are 14 personal care services when there could be 24.†

†Based on the average community across Canada for hair grooming and other personal care services.

113 personal services firms in Greater Napanee*

52 with employees

61 without employees

Table 5

Personal services establishments and potential in Greater Napanee*

This table highlights the ratio of stores represented based on the population. You can quickly see how many of each type of industry is served as of June 2020 and what the projected target amount is.

INDUSTRY	WITHOUT EMPLOYEES	WITH EMPLOYEES	TOTAL COUNTS	INDEX (CAN=1.00)	TARGET #
Unisex hair salons	2	1	**3**	0.43	**7**
Electronic and precision equipment repair and maintenance	1	0	**1**	0.53	**2**
Personal care services	7	7	**14**	0.59	**24**
Other personal care services	1	3	**4**	0.68	**6**
Beauty salons	4	3	**7**	0.75	**9**
Personal and household repair and maintenance	4	2	**6**	0.99	**6**
Dry cleaning and laundry services	1	1	**2**	1.00	**2**
Commercial and industrial machinery and equipment repair and maintenance	3	4	**7**	1.01	**7**
Other personal services	7	3	**10**	1.10	**2**
Automotive repair and maintenance	14	16	**30**	1.52	**20**
Funeral services	3	1	**4**	3.97	**1**

*Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue.
Source: Statistics Canada business counts, June 2020.

Opportunity: Accommodation and food services

Greater Napanee has an above average number of accommodation services providers for a community its size. There could be potential to attract more accommodation services providers to service the larger region and tourist market. In addition, there could be potential for other types of accommodations including cottages and cabins, RV parks and campgrounds, etc.

Restaurants are an estimated $18 million per year industry in Greater Napanee. Presently there is an average amount with 33 full and limited service restaurants.*

This does not mean there is no potential for more restaurants particularly as the Town pulls shoppers and visitors from a wider region.

*According to Statistics Canada.

Opportunity: Health care providers

A review of the number of health care offices/ establishments in Greater Napanee also indicates the community is quite well serviced relative to population size. An analysis of health care establishments with employees reveals there could be more doctors' offices relative to population size and more dentist offices (Table 6).

The majority of the health care spending in Ontario is covered by the provincial government but a considerable amount is spent directly by households.

Greater Napanee estimated health care expenditures in 2019.

- $1.5 million on eye-care goods and services (out-of-pocket)
- $2.8 million on dental services (out-of-pocket)
- $3.2 million on personal health insurance
- $3.3 million on life insurance premiums

As shown in Table 6, a community the size of Greater Napanee would normally have more doctors' offices, more dentist offices and more daycare services. Greater Napanee has a small cluster of facilities that provide care for the elderly and persons with disability or needing other supports. Is this something that could be expanded upon?

Table 6

Personal services establishments and potential in Greater Napanee*

This table highlights the ratio of businesses represented based on the population. You can quickly see how many of each type of industry is served as of June 2020 and what the projected target amount is.

INDUSTRY	WITHOUT EMPLOYEES	WITH EMPLOYEES	TOTAL COUNTS	INDEX (CAN=1.00)	TARGET #
Offices of dentists	0	4	**4**	0.33	**12**
Offices of optometrists	1	0	**1**	0.40	**2**
Other health practitioners	6	3	**9**	0.61	**15**
Child day-care services	9	4	**13**	0.70	**19**
Nursing care facilities	0	1	**1**	0.75	**1**
Other individual & family services	0	3	**3**	0.84	**4**
Community care for the elderly	1	1	**2**	0.98	**2**
Vocational rehabilitation services	0	1	**1**	1.04	**1**
Offices of the physical, occupational and speech therapists	3	3	**6**	1.07	**6**
Medical / diagnostic laboratories	0	2	**2**	1.16	**2**
Community health centres	0	1	**1**	1.21	**1**
Offices of mental health practitioners	5	1	**6**	1.41	**4**
Home health care services	2	1	**3**	1.61	**2**
Child and youth services	2	0	**2**	1.64	**1**
All other out-patient care centres	3	1	**4**	1.66	**2**
Offices of chiropractors	5	1	**6**	2.00	**3**
Residential dev. handicap facilities	0	3	**3**	2.47	**1**
Services for the elderly and persons with disabilities	1	3	**4**	2.73	**1**

*Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue.
Source: Statistics Canada business counts, June 2020.

Opportunity: Construction firms

The construction sector tends to service a wider market area than just the town or city in which the firms are located.

Greater Napanee has a small cluster of 150+ firms in the construction sector (employer and non-employer businesses).

It has an above average number of firms in residential building construction and in heavy and civil engineering construction (e.g. roads, bridges, etc.). There are fewer non-residential construction firms relative to population size.

Gap in the specialty trade contractors segment

There are 6 firms in the electrical contractors & other wiring installation contractors sector when the market can support 12. It is important to point out the construction sector can easily serve the entire Belleville-Kingston Corridor from a location in Greater Napanee.

Table 7

Construction sub-sectors in Greater Napanee compared to the country overall*

This table highlights the ratio of businesses represented based on the population. You can quickly see how many of each type of industry is served as of June 2020 and what the projected target amount is.

INDUSTRY	WITHOUT EMPLOYEES	WITH EMPLOYEES	TOTAL COUNTS	INDEX (CAN=1.00)	TARGET #
Structural steel/concrete contractors	0	0	**0**	0.00	**0**
Glass and glazing contractors	0	0	**0**	0.00	**1**
Painting/wall covering contractors	2	1	**3**	0.37	**8**
Framing contractors	1	0	**1**	0.39	**3**
Poured concrete foundation and structure contractors	0	1	**1**	0.43	**2**
Tile and terrazzo contractors	1	0	**1**	0.49	**2**
Electrical contractors and other wiring installation contractors	2	4	**6**	0.51	**12**
Drywall and insulation contractors	3	1	**4**	0.64	**6**
Flooring contractors	3	1	**4**	0.90	**4**
All other specialty trade contractors	5	9	**14**	1.05	**13**
Finish carpentry contractors	4	5	**9**	1.09	**8**
Siding contractor	2	0	**2**	1.15	**2**
Plumbing, heating and air-conditioning contractors	5	8	**13**	1.15	**11**
Roofing contractors	2	3	**5**	1.32	**4**
Other building finishing contractors	5	2	**3**	1.32	**5**
Site preparation contractors	1	8	**9**	1.35	**7**
Masonry contractors	5	1	**6**	2.12	**3**
Other foundation, structure and building exterior contractors	3	2	**5**	2.20	**2**

*Includes both employer businesses and non-employer businesses with a minimum of $30,000 annual revenue.
Source: Statistics Canada business counts, June 2020.

2.2 Industrial Development

Greater Napanee is strategically positioned on Highway 401, facilitating access to markets in Eastern Ontario, the GTA and USA

Location advantages:

- Located in the Toronto-Ottawa-Montreal corridor
- 14 Million Canadians (40% of the country's population) live within a 3-hour drive
- There are millions of residents of the United States who live right across the border

Manufacturers benefit from a comprehensive network of transportation links and services supporting the easy movement of goods and access to suppliers.

The cluster of industries and complementary firms has generated a suite of business and professional services to serve local and regional business needs. Greater Napanee has **two business parks** with a full complement of municipal services and industrial buildings to accommodate all business needs.

This is an ideal location for companies looking to manufacture goods to service this large population. The community's location also makes it an excellent location for other industries looking to access this population including:

- Transportation and warehousing. Greater Napanee is located right on Highway 401 – the main transportation corridor through the Toronto-Ottawa-Montreal corridor.
- Other industries that want a convenient and cost-effective location to access Canada's largest population corridor.

Figure 4

Greater Napanee in the centre of Canada's largest population corridor

Source: Google Maps.

From food products to other consumables, Greater Napanee is strategically positioned as a result of its geographic location.

The case for manufacturing in Greater Napanee

Being located at the centre of the Toronto-Ottawa-Montreal corridor and its 14+ million population makes the Town an ideal location from a geographic perspective for manufacturing to serve this population. Particularly time-sensitive and transportation-cost sensitive manufacturing is ideally suited for this region.

Agri-food manufacturing

Greater Napanee is well-positioned to attract investment in this area. The population in the Toronto-Ottawa-Montreal corridor has been growing strongly and is expected to continue with this rapid growth.

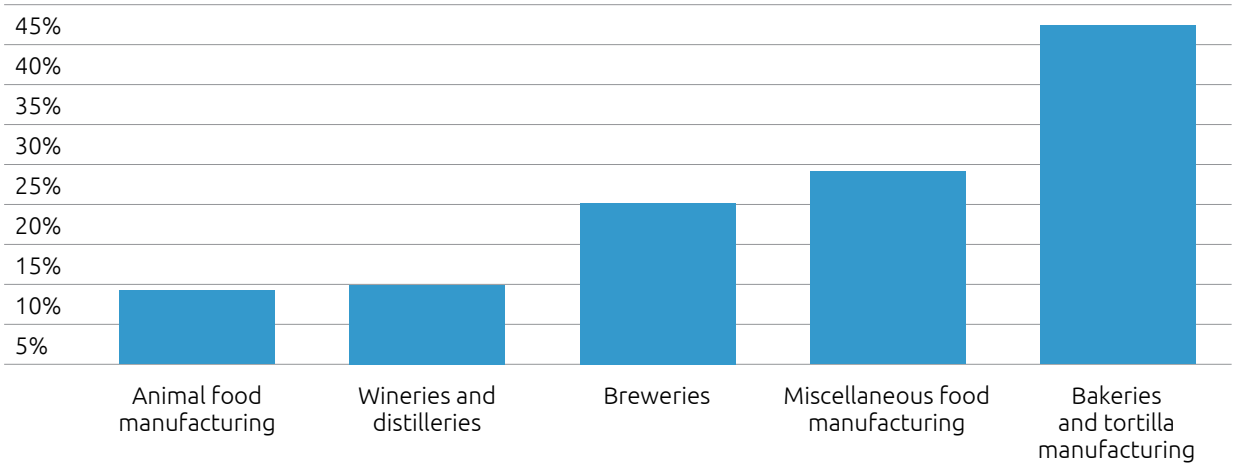
Key benefits for agri-food manufacturing:

- Proximity to a large population
- Ideal location on the Toronto-Ottawa-Montreal corridor
- Close to the USA border
- New government focus on the security of food supply
- Preference for locally produced food
- Located between the Central and Eastern Ontario Agricultural Regions which are home to more than 14,000 farms covering more than two million acres of farmland.
  This area has significant dairy and beef farms, grain and other crop farming that could provide the agricultural products for value added manufacturing in the Town.

Figure 5

Five-year real GDP growth rate, selected food manufacturing sub-sectors, Ontario

This chart shows the five-year real gross domestic product (GDP) growth in Ontario for selected food manufacturing sub-sectors.



Source: Statistics Canada Table: 36-10-0402-01.

Key opportunities for agri-food manufacturing:

- Bakery products GDP is up by 42% over the past five years. This type of manufacturing would benefit from being located in Greater Napanee as it is only a few hours' drive by truck to the entire 14 million population.
- The GDP from breweries and wineries have been growing strongly
- Animal food and miscellaneous food manufacturing have also been growing

The market size is enormous. In the Toronto-Ottawa-Montreal corridor alone, households spend an estimated $41 billion on food each year.

Presently, there are 16 food manufacturing operations in the Greater Kingston region including beverage manufacturing, bakeries, and other food products.

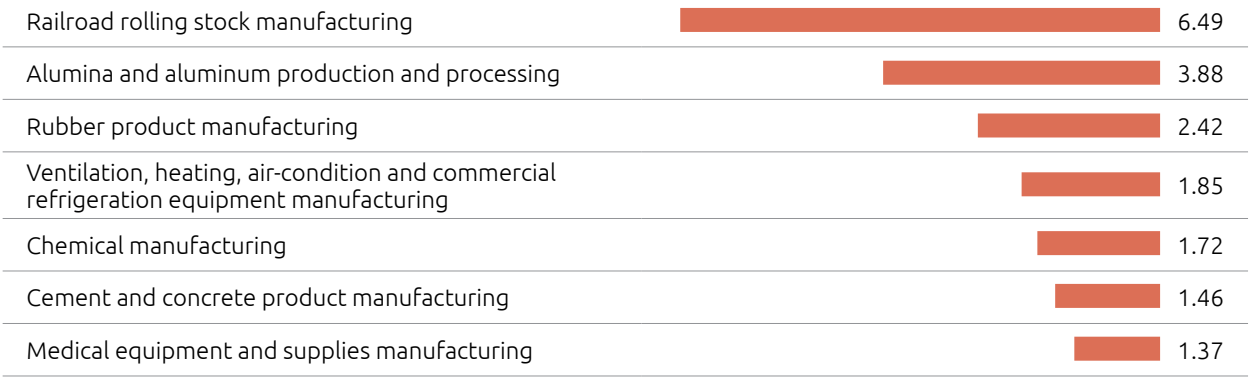
Other manufacturing

The Town of Greater Napanee is located adjacent to the Kingston metropolitan area (CMA). The Kingston CMA has a number of manufacturing sectors with a much higher concentration of employment relative the country overall.

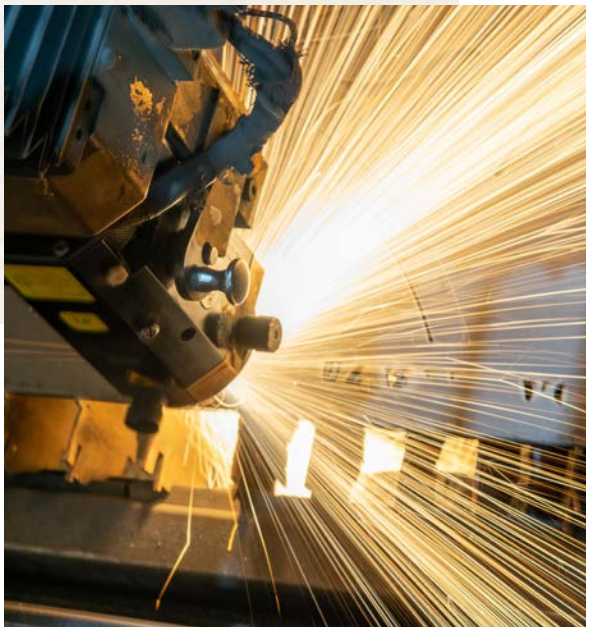
Figure 6

Manufacturing sub-sectors in the Kingston CMA with high LQ values (Canada = 1.00)

This chart shows the Location Quotient (LQ) values for selected manufacturing sub-sectors in the Kingston CMA. An LQ value of greater than 1.00 means the community has a higher concentration of employment compared to the sub-sector across the country.



Source: Statistics Canada 2016 Census.



The Kingston CMA has a high concentration of employment in a number of chemical, rubber and metal fabrication sub-sectors. Medical equipment and supplies manufacturing is an area with particularly good growth prospects as the province and country looks to secure a local, long term supply chain for these important products.

Overall, there are 147 manufacturing firms in the Kingston CMA* as summarized in Table 8. All of these firms are benefiting from being a region within a large population corridor, competitive business costs, a growing pool of workers and supportive local government.

Table 8

Manufacturing firms in the Kingston CMA by sub-sector

SUB-SECTOR	
Fabricated metal products	23
Miscellaneous manufacturing	21
Machinery manufacturing	18
Food manufacturing	16
Other manufacturing sectors	15
Non-metallic mineral products	11
Printing and related support	9
Chemical manufacturing	7
Computer and electronic products	7
Furniture and related products	7
Beverage and tobacco products	5
Plastics and rubber products	4
Transportation equipment	4

*Firms with employment. Source: Statistics Canada business counts, June 2019.

147
manufacturing firms in neighbouring Kingston

The case for transportation and warehousing in Greater Napanee

The reasons why transportation and warehousing firms should take a close look at Greater Napanee are similar to those for the manufacturing sector.

The community is ideal for firms looking for a central location to service markets in the Toronto-Ottawa-Montreal corridor.

There is excellent road and rail transportation infrastructure available, competitively priced land for new warehouses and logistics facilities.

The economic activity in the transportation and warehousing sector will continue to grow into the future in line with population growth and other economic trends. And, as shown in Figure 7, the sector is growing rapidly across the province.

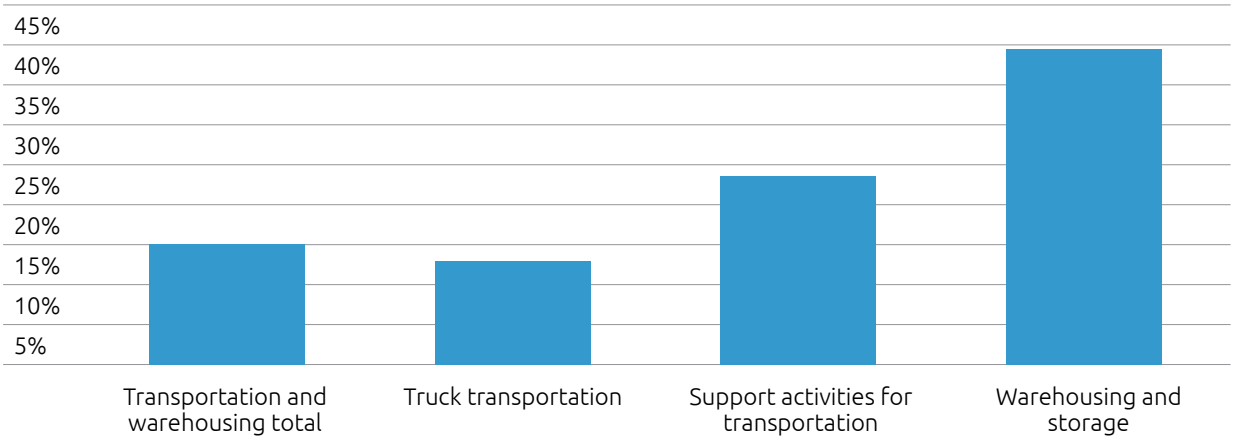
Rising GDP's in the last five years

15% Transportation & Warehousing

39% Warehouse & Storage

Figure 7

Five-year real GDP growth rate, transportation and warehousing, Ontario



Source: Statistics Canada Table: 36-10-0402-01.

1.5m

Canadians visited the Kingston CMA & stayed at least one night in 2017

The case for tourism investment in Greater Napanee

There are a number of reasons why entrepreneurs and businesses looking to expand their tourism operations should consider the Town of Greater Napanee:

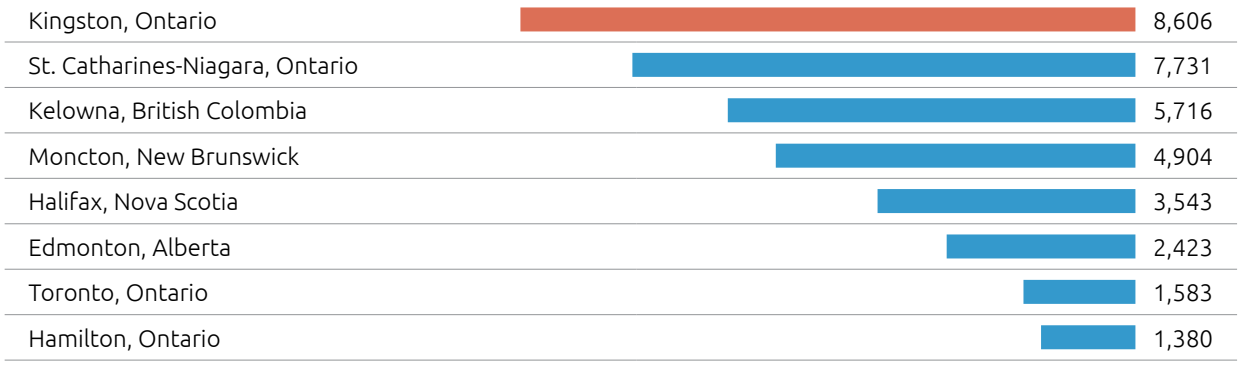
- The Town is located in a region known as a top vacation destination for visitors from the Toronto-Ottawa-Montreal corridor and the United States.
- It is located on the Lake Ontario shoreline with beautiful views, a host of recreational facilities and outdoor activities including boating, fishing, nature watching, hiking, and cycling.
- In 2017, nearly 1.5 million Canadians visited the nearby Kingston CMA and stayed at least one night. To put this in perspective, no other CMA across Canada attracted more overnight stays than Kingston (Figure 8) relative to population size. This does not include international tourists but the region also has seen a big increase in tourists from outside the country in recent years.
- Greater Napanee attracts a base of loyal repeat visitors who appreciate the region's natural beauty and enjoy the culture, heritage, food and drink and outdoor activities.
- Greater Napanee has a concentration of accommodation and food service businesses serving visitors to the entire region.
- Greater Napanee's waterfront and natural features make it a popular setting for vacation rental properties including cottages, B&Bs and inns. The regional occupancy rates (RTO9) indicate a market primed for additional fixed roof accommodation supply.

Including Canadian visitors that do not stay overnight, the Kingston CMA attracted 2.9 million tourists from elsewhere in the country in 2017.

This substantial tourist market is the target for firms that set up tourism-related businesses in Greater Napanee.

Figure 8

Overnight visits by Canadian tourists per 1,000 population, 2017



Source: Statistics Canada Table: 24-10-0030-01.

There is significant potential for tourism investment

There is considerable opportunity for a wide variety of tourism sub-sectors. New food services operators would benefit from both the local market in the Town and the tourist market (2.9 million in 2017). There are limited accommodations options right now in the Town even as the Kingston CMA has a much higher concentration of accommodation services activity when compared to the country overall (Figure 9).

Other tourism operators related to water-based tourism, hiking, camping, agri-tourism, etc. should take a close look at Greater Napanee.

Figure 9

Tourism industries in the Kingston CMA with high LQ values (Canada = 1.00)

Source: Statistics Canada 2016 Census.

Other industries

Any business that could benefit from either targeting the local market in Greater Napanee and surrounding communities or to service the large population base in the Toronto-Ottawa-Montreal corridor should consider the Town of Greater Napanee when considering where to locate their business.

The Town is looking to attract more businesses and investment and will work closely with firms considering expansion in the region. Learn more about how the Economic Development team can help you by connecting directly with them for a free and confidential consultation.

2.3 Small and home-based businesses

Greater Napanee is a prime location for people who work from home. Residents of the Town are close to a larger urban centre in Kingston with a wide variety of amenities – entertainment, shopping etc. and are close by to excellent recreational activities in and around the community.

The cost of living is relatively low, and most residents have access to broadband communications. As of the 2016 Census, 11.6% of the working population in Greater Napanee were self-employed and 7.2% worked from home.

11.4%
are self employed

11.6%
work from home

2.4 Other reasons to invest in Greater Napanee

There are a number of other reasons why Greater Napanee could be attractive to a wide variety of entrepreneurs and businesses looking to expand in the region such as:

- **Competitive business costs.** Land and other business costs in Greater Napanee are competitive.
- **Supportive local government.** The Town is working hard to develop the local economy and attract more population.
- **Access to a growing workforce.**
- **Available land.** The Town offers prime real estate options for retail, food services, commercial and light industrial development.

3

Attracting residents: The Greater Napanee proposition

2,700 people who were living in Greater Napanee had lived elsewhere five years earlier.

In recent years, the Town of Greater Napanee has been attracting people from elsewhere in Ontario and beyond.

In 2016, 2,700 people who were living in Greater Napanee had lived elsewhere five years earlier. This represented nearly one out of every five people aged five and older. This inward migration rate was above the average across the province.

Why are people attracted to Greater Napanee?

Greater Napanee provides an ideal blend of small-town charm with urban amenities. It is the retail, personal services and health care hub for the region. Residents enjoy a high quality of life and low cost of living, with exceptional local leisure opportunities, ample recreational facilities and outdoor activities including water-based recreation along Lake Ontario and the area's many waterways.

3.1 Why does Greater Napanee want to attract more residents?

The Town is opening its doors and welcoming newcomers. More than two out of every five residents is over the age of 55 and while the median age is above average compared to other communities in Ontario. The community would like to attract younger families to ensure there are enough workers to meet future labour market demand and ensure the Town remains a vibrant place.

3.2 Population profile

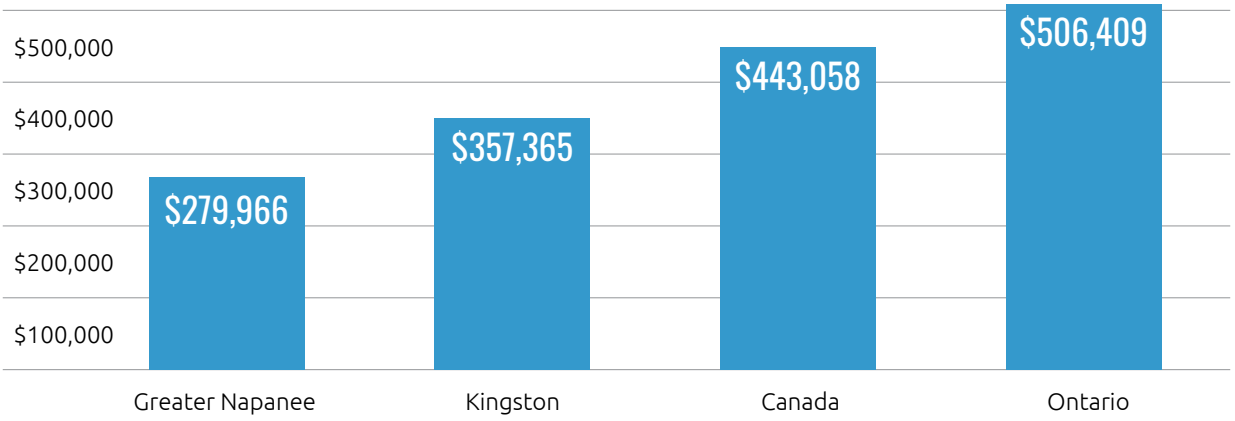
The population living in the Town of Greater Napanee features incomes slightly lower than the provincial average. The median household income in the Town is above most other municipalities in Eastern Ontario (i.e. Kingston .91, Quinte West .9, Belleville .8, Brockville .69 and Cornwall .63). The population is also well educated. Over 88% have a high school education (among the population aged 25-64). Over 57% in this age group have post-secondary education with a focus on college education. 31% have graduated from college, well above the 25% rate across the province.

88%
have a high school education

57%+
have post-secondary education

Figure 10

Average value of a dwelling, 2016 Census



Source: Statistics Canada 2016 Census.

Demographics, income and labour

Poverty rates

Poverty rates are well below average in the Town. Using Statistics Canada's prevalence of low income based on the low-income cut-offs; after tax (LICO-AT), only 5% of the population were in poverty in 2015, only half the level across the province.

Population

The population in Greater Napanee is older than the province overall with a median age in the Town of 49 at the time of the 2016 Census compared to 41 across the province.

This is a top reason why Greater Napanee is looking to attract people to the community in the years ahead.

Table 9 provides an overview of key demographic, income and labour force dynamics for the population in the Town. It is important to point out the labour force information is based on those who live in the Town and not the working population. As discussed elsewhere, the working population in Greater Napanee is highly integrated into the regional economy with Kingston and other Lennox and Addington municipalities.

A few key highlights:

- The population aged 25-64 living in Greater Napanee are more likely to be college-educated compared to the province as a whole (31% versus 25% of the total).
- There is also a slightly higher share of the population with apprenticeships/trades education compared to the province overall.
- The share of the population that has graduated high school is at the provincial average (88%).
- The Town's labour force has a larger share who work full time and full year compared to the province overall at 56% of the total compared to 52% across the province the share of self-employed is 11.4%.
- Work commute times each day are considerably lower in Greater Napanee compared to the average worker across the province.

Figure 11 shows the top employment sectors for the workforce living in Greater Napanee. Health care and public administration are the two top employment sectors and sales and service and trades, transportation and equipment operators are the top occupational groups. However, the concentration of employment relative to the provincial workforce provides a better indication of how the workforce in Greater Napanee differs from the province overall (Figure 11).

Even though there are relatively few working in the utilities sector, relative the total employed in that sector across Ontario, Greater Napanee is home to 2.35 times as many workers, as a share of the total population.

Figure 11

Employment concentration in Greater Napanee

TOP 5 INDUSTRIES (ONT = 1.00)	
Agriculture & other primary	2.67
Utilities	1.69
Accommodation and food services	1.33
Construction	1.28
Health care and social assistance	1.25

TOP 5 OCCUPATIONS (ONT = 1.00)	
Natural resources, agriculture and related	1.68
Trades, transport and equipment operators	1.39
Health occupations	1.29
Occupations in manufacturing*	1.16
Sales and service occupations	1.03

Source: Statistics Canada 2016 Census. *and utilities.

Table 9

Summary population profile, Town of Greater Napanee

POPULATION DYNAMICS	GREATER NAPANEE	LENNOX & ADDINGTON	ONTARIO
Population (est. 2019)	16,587	44,676	14,566,547
1-year growth rate	1.2%	+0.7%	+1.7%
5-year growth rate	2.8%	+2.1%	+7.0%
10-year growth rate	4.4%	+5.4%	+12.1%
55 and older	41%	38%	30%
Median age of the population	49.0	47.2	41.3
Number of people who moved to the community (2011-2016)	2,700	7,685	n/a
Inward migration rate (population 5+)	18%	20%	17%
Immigrant population (% of total)	6%	6%	29%
Third generation or more	82%	80%	46%

INCOME DYNAMICS	GREATER NAPANEE	LENNOX & ADDINGTON	ONTARIO
Median personal income	0.94	1.04	1.00
Median employment income	0.91	0.97	1.00

EDUCATION LEVELS (POP. AGED 24-64)	GREATER NAPANEE	LENNOX & ADDINGTON	ONTARIO
High school	88%	89%	90%
Apprenticeship / trades	9%	9%	6%
College	31%	34%	25%
University degree	14%	14%	32%
Post-graduate degree	3%	3%	9%

Continued on next page.

Table 9 (cont.)

Summary population profile, Town of Greater Napanee (cont.)

LABOUR FORCE (THOSE LIVING IN GREATER NAPANEE)	GREATER NAPANEE	LENNOX & ADDINGTON	ONTARIO
In the labour force	7,420	21,100	7,141,675
Employed	6,980	19,745	6,612,150
Unemployed	445	1,355	529,525
Participation rate	5,605	60.7%	64.7%
Employment rate	56.9%	56.8%	59.9%
Unemployment rate	53.5%	6.4%	7.4%
Who worked full year, full time	56.0%	55%	52%
Self-employed	11.4%	11.3%	11.8%
Who worked at home	11.6%	7.6%	7.3%

TOP 5 EMPLOYMENT SECTORS	GREATER NAPANEE	LENNOX & ADDINGTON	ONTARIO
Health care and social assistance	990	-	-
Retail trade	930	-	-
Manufacturing	825	-	-
Accommodation and food services	665	-	-
Construction	640	-	-

TOP 5 OCCUPATIONS	GREATER NAPANEE	LENNOX & ADDINGTON	ONTARIO
Sales and service occupations	1,760	-	-
Trades, transport and equipment operators	1,350	-	-
Business, finance and administration occupations	855	-	-
Management occupations	805	-	-
Occupations in education and government services*	800	-	-

Sources: Statistics Canada Table 17-10-0142-01 and 2016 Census. *including law, social and community services.

3.3 The case for living in Greater Napanee

There are many reasons why Greater Napanee is an ideal place to live. The Town features a reasonable cost of living and housing costs. There is limited crime in the area and although it is a small place, Greater Napanee is close to Kingston which gives residents a wide range of urban amenities and services. The region has good health care and schools as well as recreational opportunities.

Here are nine good reasons why people should take a long look at Greater Napanee when considering where to live in Ontario:

Reason #1:

More bang for your housing buck

The average value of housing in Greater Napanee is 45% below the average across Ontario.* The cost of rental housing is also below average. At the same time, you get more bang for your housing buck in Greater Napanee. Thirty-five percent of dwellings in the Town have at least 8 rooms compared to 30% in Kingston and 29% across Canada.

Figure 12

Share of dwellings with at least 8 rooms

*Source: Statistics Canada 2016 Census.

Reason #2:

Reasonable cost of living

The Town offers residents a comparatively reasonable cost of living. According to Statistics Canada, only 16% of owned households spend 30% or more of household income on shelter costs which is well below average across Ontario. Other living costs are lower for most households compared to larger urban centres.

Reason #3:

Low crime rate

The Crime Severity Index in Greater Napanee is below the average for other municipalities in Ontario.

Reason #4:

Proximity & access

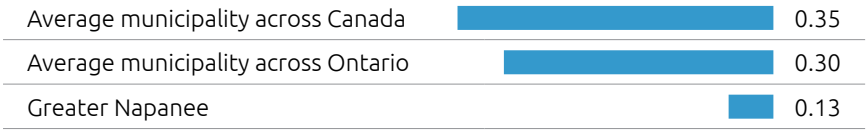
Statistics Canada calculates an Index of Remoteness to show the proximity of households in municipalities to service centres. According to the agency, geographic proximity to service centres and population centres is an important determinant of socio-economic and health outcomes. Toronto is the least remote with an Index rating of 0.00 and Grise Fiord in Nunavut is the most remote with an Index rating of 1.00.

The Town of Greater Napanee is one of the lesser 'remote' smaller municipalities across Ontario with an Index of 0.13 compared to the average municipality across the province coming in at 0.30 and across the country at 0.35.

Residents of Greater Napanee are relatively close to services such as schools and hospitals as well as personal and professional services, retail services, restaurants, and entertainment services.

Figure 13

Index of remoteness (1.00 is the most remote, 0.00 is the least)



Source: Statistics Canada 2016 Census.

Reason #5:

Access to good health care & health care outcomes

Resident of the region in which the Town of Greater Napanee is located generally have better health care outcomes and access to health care compared to the country overall. The data here is for the Kingston, Frontenac and Lennox and Addington Health Unit and is indicative of the regional health outcomes and health care access. The data is published by Statistics Canada every two years.

- Over 70% of adults perceived their mental health to be very good or excellent, above average compared to the country overall.
- When asked about perceived life stress, only 19.6% of adults indicated that most days are stressful. This is well below average.
- 75% have a somewhat strong or very strong sense of belonging to local community, well above average.
- When asked about life satisfaction, over 93% indicated they were satisfied or very satisfied with their lives in the region, above average compared to the rest of the country.
- 91% of residents have a regular healthcare provider, well above average.
- Over 58% of residents are physically active at least 150 minutes per week, above average compared to Canada overall.

Greater Napanee is well-serviced in terms of health care providers. There are over 30 ambulatory health care service providers with offices in the Town including health practitioners such as chiropractors, optometrists, physical therapists and mental health practitioners. There are also home care service providers operating in the Town.

Reason #6:

Excellent K-12 education

There are six schools in Greater Napanee serving the K-12 student population including the Napanee District Secondary School, the largest secondary school in the Limestone District, an area encompassing Kingston and the wider region.

Reason #7:

Ample recreational opportunities

Greater Napanee residents live in an idyllic setting that serves as a vacation destination for visitors from across eastern Ontario and the USA. It is located on the Lake Ontario shoreline with beautiful views, a host of recreational facilities and outdoor activities including boating, fishing, nature watching, hiking, and cycling.

Reason #8:

Less time commuting to work

Some residents of Greater Napanee drive into Kingston or Belleville for work but there are also ample work opportunities in the Town. Forty-four percent of everyone who lives in Greater Napanee and commutes to work every day has a job in the Town.

The Town's current push to attract more businesses will create more job opportunities locally in the Town in the years ahead.

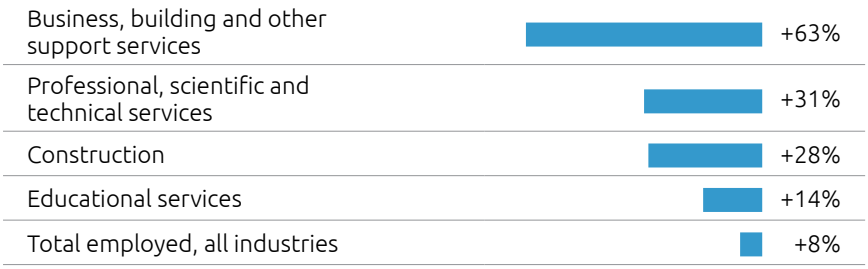
Reason #9:

Growing regional economy & job opportunities

The regional economy around the Town is growing strongly. In the past five years, total employment across the Kingston-Pembroke region has risen by more than eight percent. The unemployment rate has dropped from 7.2% in 2015 to only 5.6% in 2019.

Figure 14

Employment growth 2015-2019, Kingston-Pembroke region



Source: Statistics Canada Table 14-10-0092-01.

The labour force data for the Town is from the 2016 Census. At that time, Greater Napanee had one of the lower unemployment rates among municipalities in eastern Ontario.

The Town is now pursuing new industry to set up in the community to provide more local services and to grow export-based industries here. This will open up new, local job opportunities for people moving to the community.

Starting a business or planning a move to the area?

Allow us to show you around.

Our Economic Development department would love the opportunity to show you first hand why L&A is such an incredible place to start a business or move to the area. Allow us to take you on a free customized tour of the area. We'll show you some key places and help you connect with others in the area.

To learn more or to ask any questions you may have about Great Napanee or the County of Lennox and Addington, please reach out. We're here to help.

Tracey Snow

ECONOMIC DEVELOPMENT OFFICER

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Economic Development Opportunity Analysis:

THE TOWN OF GREATER NAPANEE

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