

# HEMSON

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**To:** Isaiah Banach and Greg Bowie  
Community Planning & Development Services, Niagara Region

**From:** Russell Mathew and Lara Nelson, Hemson Consulting Ltd.

**Date:** September 9, 2019

**Re:** Niagara Region Municipal Comprehensive Review – Review and Update of MCR Forecast Allocations and Land Needs Assessment Results

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Hemson Consulting assisted the Region of Niagara with a Regional Municipal Comprehensive Review (MCR). Phase 3 of the MCR was completed in December 2016, which involved the development of a Strategic Growth Option (SGO) including local municipal allocations forecast population, housing and employment growth to 2041, based on the Regional forecasts under Schedule 3 of the *Growth Plan*. A subsequent update to the forecasts and local growth allocations was prepared in 2018, in order to reflect the results of the 2016 Census, policy changes and other information that had become available since the forecasts were prepared. The resulting MCR Phase 4 forecasts were provided by memorandum on July 27, 2018.

The MCR Phase 4 forecasts and local growth allocations provided a basis for analyses being carried out by the Region since, as part of ongoing work related to updating the Regional Official Plan to bring the Region into conformity with the *Growth Plan*, 2017. In order to aide implementation of the *Growth Plan* 2017, the Province released the *Land Needs Assessment Methodology for the Greater Golden Horseshoe* (LNA) on May 4, 2018. Municipalities in the Greater Golden Horseshoe (GGH) are required to use the LNA methodology as a basis for assessing the quantity of land need to accommodate growth in a manner

consistent with *Growth Plan* policy and targets. The Provincial LNA methodology is the tool by which municipalities establish the need for any addition of Designated Greenfield Area (DGA) lands through settlement area boundary expansion; and identify any potential excess land beyond that needed to accommodate growth to the horizon of the *Growth Plan*, currently 2041. Through the LNA methodology, the amount of land required to accommodate growth of residents and jobs in Community Areas and jobs in Employment Areas is determined. Schedule 3 of the *Growth Plan* provides the population and employment forecasts that the Region must use as a basis for planning, including allocating growth to each local municipality within Niagara and establishing urban land need. As part of its growth management work, the Region prepared a draft Niagara Region Land Needs Assessment (Niagara LNA) using the Provincial methodology.

Hemson has undertaken a review of the Niagara Region LNA for consistency with the Provincial methodology. This involved an examination of the approach, data inputs and results. Additionally, this necessitated a review of, and some updates to, the MCR Phase 4 forecasts in order to ensure an appropriate basis for managing growth and assessing land need in the Region. The current forecast review takes into account information that has become available since the Phase 4 MCR forecasts and growth allocations were last updated in mid-2018, and is largely scoped to the address the results of the 2018 Niagara Employment Inventory (NEI), the Region's annual survey, particularly with respect to employment by type.

This memorandum provides the results of the LNA review, results of the updated employment by type forecasts, and implications for land need within Niagara. Commentary is provided on:

- recent changes to relevant Provincial policy and targets affecting growth planning and the LNA;
- findings from the Niagara Region LNA and forecast review; and
- updated employment by type forecasts and Regional LNA results.

## **A. *GROWTH PLAN*, 2019 AND CONSIDERATIONS FOR THE PROVINCIAL LAND NEEDS ASSESSMENT METHODOLOGY**

The purpose of the Provincial LNA methodology is to assist upper- and single-tier municipalities within the GGH to implement the policies and targets of the *Growth Plan*. Specifically, the LNA identifies the amount (if any) of new DGA land for either community purposes or employment purposes that will be needed to meet the *Growth Plan* Schedule 3 forecasts of population and employment to 2041. The following describes recent Provincial policy changes and provides commentary on how the Land Needs Assessment might be affected.

A central task of the LNA methodology is to allocate housing unit and employment growth by policy area and planning period, ultimately to identify the amount of population and job growth to be accommodated on new DGA at 2041, while meeting the policy parameters of the *Growth Plan*. At the time the methodology document was prepared, the policies of the *Growth Plan*, 2017 provided the framework and growth management targets for assessing land need and formed the basis for development of the LNA methodology. More recently, the Province released *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* (the *Growth Plan*, 2019) which came into affect on May 16, 2019. This amended *Growth Plan* revised a number of policy targets that have implications for the LNA; in particular, revising the target for intensification within Built-Up Areas (BUA), and the density targets for new DGA and Employment Areas.

- **Built-Up Areas**

The following *Growth Plan*, 2017 targets for residential development within Built-Up Areas applied at the time the LNA methodology was prepared, that is:

- 40% (or minimum in official plan) of residential development (housing units) to be planned for within Built-Up Areas, from current until the next MCR;
- 50% from the time of the next MCR (2021) to 2031; and
- 60% from 2031 to 2041.

It was the change in minimum target at 2031 that necessitated allocating housing units by policy area by three distinct planning periods (Current-MCR; MCR-2031; 2031-2041) through the LNA methodology. The *Growth Plan* 2019 revised the Built-Up Area targets and their application such that the Region of Niagara in allocating growth to the local municipalities is now required to plan for a minimum of 50% residential development within Built-Up Areas from the time of the next MCR with no change in the policy target at 2031.

Given that the *Growth Plan*, 2019, rescinded the change in intensification target at 2031, an updated LNA methodology, when released, would likely simplify the approach to determining future land needs, though a municipality could choose to still step up to a higher-than-minimum rate during the planning period.

- **Designated Greenfield Area Density**

The *Growth Plan*, 2019 also updated the minimum DGA density target, reducing the target to be achieved by 2041 from 80 to 50 persons and jobs per ha, across the upper-tier DGA. Like the *Growth Plan*, 2017, the new policy excludes Employment Areas from the calculation, effectively lowering the target below the minimum 50 expectation under the initial *Growth Plan* target adopted in 2006. This change in policy target does not affect the LNA methodology but does have implications for land need results. In the GTAH this density is well below what the market has been building. The current market in Niagara appears to be at or above this density. For Niagara Region, the 50 persons and jobs per ha represents a more achievable target across the DGA than planning for the 80 persons and jobs per ha which would necessitate a greater shift to higher density housing forms than the market would currently suggest for many Niagara municipalities.

- **Employment Area Density**

New to the *Growth Plan*, 2017, s.2.2.5.5 required upper-tier municipalities to prepare employment strategies, including among other matters, the establishment of a minimum density target for *all* employment areas measured in jobs per ha. The *Growth Plan*, 2019, removed the requirement to prepare an employment strategy and an all-encompassing employment density target is

no longer required. Rather, a range of employment density targets are now to be established for Employment Areas within settlement areas, reflective of the type and scale of employment characterizing the Employment Area to which each target applies. For the most part, the LNA methodology already provides for sub-Regional analysis of employment densities working to a Region-wide target for all employment areas. For Niagara Region, the revised *Growth Plan* policy provision enables an approach with a more explicit local municipal-specific differentiation and assessment of employment area densities. This is a positive outcome for Niagara in that it reflects the range of employment in Employment Areas across the region and appropriately accounts for the unique characteristics of local economic bases of Niagara municipalities.

## **B. NIAGARA REGION LAND NEEDS ASSESSMENT**

The approach, assumptions and Niagara LNA inputs were reviewed in order to ensure an appropriate basis for identifying the quantum of Community Area and Employment Area land needed to accommodate population and employment growth in each Niagara local municipality and Region-wide to a 2041 planning horizon, while meeting key policy targets and based on appropriate data and forecast information.

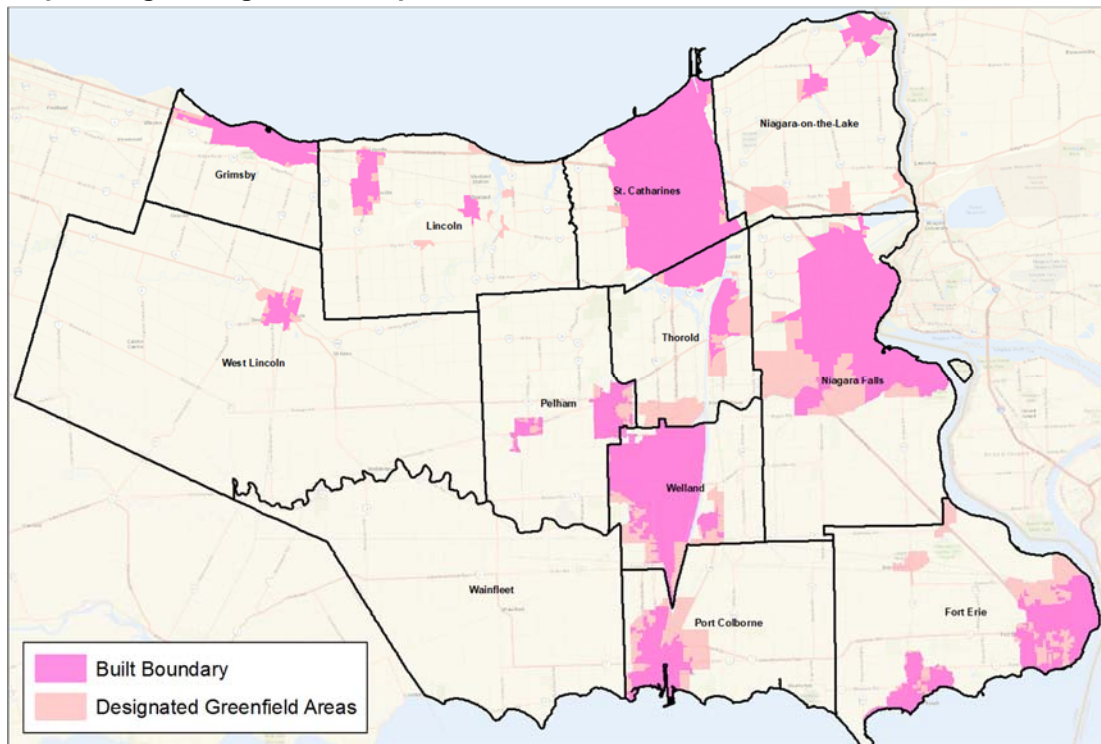
- **Approach and Assumptions**

Overall, the Region's approach and assumptions underpinning the LNA are generally consistent with the Provincial methodology and no particular concerns are raised in this regard. The Region has followed the steps in accordance with the *Land Needs Assessment Methodology for the Greater Golden Horseshoe* guidance document and relied on a range of the most currently available Census, Regional development tracking, employment survey and MCR forecast data, making assumptions where required based on the Niagara Region context. The draft LNA inputs and results prepared by the Region were reviewed for each Local Municipality. Some updates to the LNA work that do affect the results for Community Area DGA and Employment Area land need have been undertaken, to address the result of the review and update to the employment forecasts (as discussed later in this memorandum).

- **Policy Targets**

The Niagara LNA as currently prepared by the Region is consistent with the policy targets of the *Growth Plan*, 2017 with respect to intensification and the distribution of forecast total housing growth between the Built-Up Area and DGA (Map 1). The allocation of units by policy area in the Niagara LNA, targets 56% of residential development within the Built-Up Area over the 2016 to 2041 period, based on increasing the level of planned units within the built boundary from 2021 onward.

**Map 1: Niagara Region, Built-Up Areas**



The overall allocation of residential units by policy area and relative shares of Built-Up Area development by Local Municipality, working to meet the Region-wide targets, are shown in Table 1 and 2.

**Table 1: Housing Growth by Policy Area, Niagara Region by Local Municipality, 2016-2041**

<b>2016-2041 Household Growth by Policy Area Niagara Region by Local Municipality</b>				
<b>Municipality</b>	<b>Built Up Area</b>	<b>DGA</b>	<b>Rural</b>	<b>Total</b>
Fort Erie	2,290	2,914	26	5,230
Grimsby	4,269	288	23	4,580
Lincoln	2,400	854	16	3,270
Niagara Falls	7,166	7,779	75	15,020
NOTL	1,544	2,297	19	3,860
Pelham	819	2,440	16	3,275
Port Colborne	326	972	7	1,305
St. Catharines	13,671	648	72	14,390
Thorold	900	2,682	18	3,600
Wainfleet	-	-	325	325
Welland	2,515	2,689	26	5,230
West Lincoln	785	4,424	26	5,235
<b>Niagara Region</b>	<b>36,685</b>	<b>27,987</b>	<b>674</b>	<b>65,320</b>

**Table 2: Shares of Housing Growth by Policy Area, Niagara Region LNA, 2016-2041**

<b>Shares of Household Growth by Policy Area Niagara Region by Local Municipality, 2016-2041</b>				
<b>Municipality</b>	<b>Built Up Area</b>	<b>DGA</b>	<b>Rural</b>	<b>Total</b>
Fort Erie	44%	56%	0%	100%
Grimsby	93%	6%	1%	100%
Lincoln	73%	26%	0%	100%
Niagara Falls	48%	52%	0%	100%
NOTL	40%	60%	0%	100%
Pelham	25%	75%	0%	100%
Port Colborne	25%	74%	1%	100%
St. Catharines	95%	5%	1%	100%
Thorold	25%	75%	1%	100%
Welland	48%	51%	0%	100%
West Lincoln	15%	85%	0%	100%
<b>Niagara Region</b>	<b>56%</b>	<b>43%</b>	<b>0%</b>	<b>100%</b>

The forecast distributions prepared through the MCR and subsequently updated in 2018, were based on meeting the policies of the *Growth Plan*, 2017, including the 60% intensification target post-2031. As a result, the allocations directed a more significant portion of growth to municipalities within Niagara that could accommodate, and had a market for, higher levels of intensification. It should be noted that the *Growth Plan* policy direction on intensification is that

the prescribed 50% target is a minimum. Given the presence of the Greenbelt, the Niagara Escarpment along with plans for a dynamic urban growth centre in St. Catharines and plans to intensify in the vicinity of GO rail stations, a higher overall intensification rate may be warranted in the Niagara context. This may be an item for consideration through the MCR.

With respect to DGA density, the background work in the Niagara LNA considers the range of minimum densities that have been in effect or proposed over recent iterations of *Growth Plan* policy. The final Regional summary results have been determined based on meeting the current minimum 50 persons and jobs per ha under the *Growth Plan*, 2019 across the Regional DGA. In our view, this represents an appropriate basis for establishing future Community Area land need in a Niagara Region context, given the range of communities and densities of development across the Region's lower-tier municipalities.

- **Residential Forecast Inputs**

As noted earlier, the MCR forecasts were recently updated to incorporate the results of the 2016 Census; and with the exception of the net undercoverage rate, still reflect the most currently available data. In this regard, we would note that a key preliminary step in the residential LNA analysis is to determine the current and forecast population, by population component, including household, non-household, Census and Total Population adjusted for Census net undercoverage. The LNA methodology suggests using the most recently available Census undercoverage rate based on the timing of the LNA. Statistics Canada's Annual Demographic Estimates, updated with the 2016 Census data undercoverage rates were released by Statistics Canada on March 28<sup>th</sup>, 2019. The change in Census Net-Undercoverage rate between 2011 and 2016 was very small, going from 2.57% to 2.47%. For completeness, the figure could be updated in the Niagara LNA, as shown in the Table below, at some convenient juncture. Given the small differences, this is neither pressing nor entirely necessary for the MCR.



**Table 3: Census and Total Population, Niagara Region by Local Municipality, 2016**

<b>2016 Census and Total Population by Local Municipality Niagara Region</b>				
<b>Municipality</b>	<b>Census Population</b>	<b>Total Population Including Undercount</b>		
		<b>Regional LNA*</b>	<b>Updated **</b>	<b>Difference</b>
Fort Erie	30,710	31,520	31,488	-32
Grimsby	27,314	28,030	28,006	-24
Lincoln	23,787	24,410	24,390	-20
Niagara Falls	88,071	90,390	90,303	-87
Niagara-on-the-Lake	17,511	17,970	17,955	-15
Pelham	17,110	17,560	17,544	-16
Port Colborne	18,306	18,790	18,770	-20
St. Catharines	133,113	136,620	136,487	-133
Thorold	18,801	19,300	19,278	-22
Wainfleet	6,372	6,540	6,534	-6
Welland	52,293	53,670	53,619	-51
West Lincoln	14,500	14,880	14,868	-12
<b>Niagara Region</b>	<b>447,888</b>	<b>459,680</b>	<b>459,241</b>	<b>-439</b>

\*Based on 2.57% Census Net-Undercount (2011 Census)

\*\* Based on 2.47% Census Net-Undercount (2016 Census, released March, 2019)

The change to total population resulting from the application of the 2016 undercoverage rate has a negligible effect on the population base data, with roughly 440 fewer residents estimated Region-wide at 2016. The impact on land need requirements is also negligible and the residential forecasts prepared in 2018 remain an appropriate basis for growth planning and assessing land need in Niagara.

- **Employment Area Density**

With respect to Employment Area density, the Niagara Region LNA applies municipal-specific employment density assumptions. This is a reasonable approach and results in estimates of employment area land requirements that address the range of local municipal employment and densities of development across Niagara. At the Regional level, a moderate increase in employment density is anticipated and planned for to the 2041 planning horizon.

- **Employment Forecast Inputs**

Based on a review of employment data by location within Niagara from the 2018 Niagara Employment Inventory (NEI) survey, and consultation with

Regional staff, it was identified that an update to the employment by type forecasts prepared through the MCR would be warranted. This need was also supported by the results of more detailed analyses of employment by sector and employment areas recently undertaken for Niagara-on-the-Lake and St. Catharines.

The 2018 forecast update included the 2018 Census-based employment by place of work data. It became apparent through the other local work that the category allocations for the Census place-of-work employment by NAICS<sup>1</sup> was overestimating the total Employment Land Employment and underestimating the Population-Related employment. As well, the standard approach to Other Rural Based employment was not proving to be the best descriptor of rural employment, given the make-up of rural activities that occur in Niagara's unique rural areas.

The updates to the employment forecasts and resulting impact on the Niagara LNA results are provided in the sections that follow.

### **C. FORECAST REVIEW AND UPDATES**

The employment forecasts that formed the basis for the MCR were divided into four land-use based categories that are typically used in forecasting and assessing land need for a range of employment uses:

- Major Office Employment (MO): jobs occurring in free-standing office buildings of 20,000 square feet (1,960 m<sup>2</sup>) or more.
- Population-related Employment (PRE), which is employment that primarily serves a resident population and includes retail, education, healthcare, and local government. PRE also includes work at home employment. This generally grows in line with population growth and is

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<sup>1</sup> *North American Industry Classification System*

typically located on land in a range of commercial and Community Area designations.

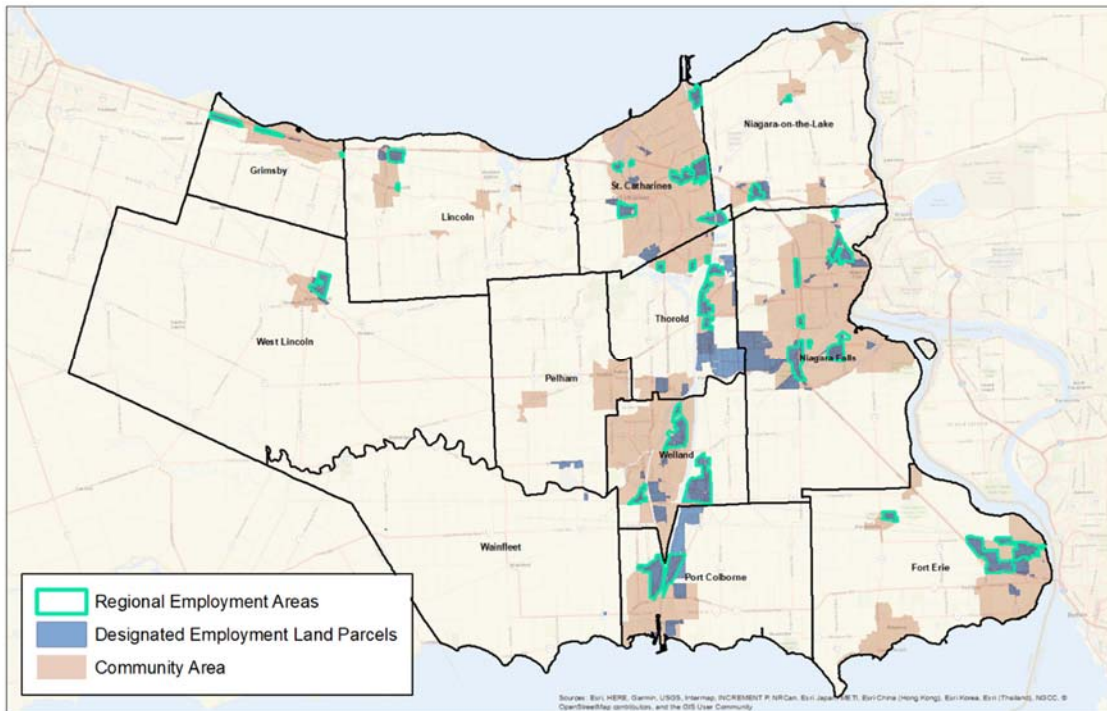
- Employment-land Employment (ELE), which refers to traditional industrial-type employment primarily accommodated in low-rise industrial buildings in business parks and employment areas. This type of employment would typically locate in employment areas.
- Other Rural-based Employment (ORB), which generally refers to a portion of the jobs scattered throughout the rural area, primarily related to agricultural and primary industries.

The distribution of employment by type to the categories is undertaken by applying shares to jobs by sector by NAICS from Census and for each of the Major Office, Population-Related, Employment Land Employment and Other Rural categories, based on assumptions and available data about where sectors typically locate and the count of office space and employment area land. For example, most manufacturing is typically allocated to the Employment Land Employment category, as this type of employment use is typically located on industrial-type lands in designated employment areas.

For the purposes of forecasting and assessing employment area land need specific to Niagara, the results of the 2018 NEI indicated that an update to both the definitional categories for employment by type, and the distribution of 2016 and forecast 2041 employment to those categories, was necessary. This update accounts for some unique locational characteristics of employment within Niagara, as described below.

Map 2 illustrates the location of designated employment area lands within Niagara and the Regional Employment Areas as identified by the Region in consultation with Local Municipal staff as part of the Region's *Growth Plan*, 2017 conformity work. It is noted that there is a significant amount of employment land and employment not included in the identified Regional Employment Areas.

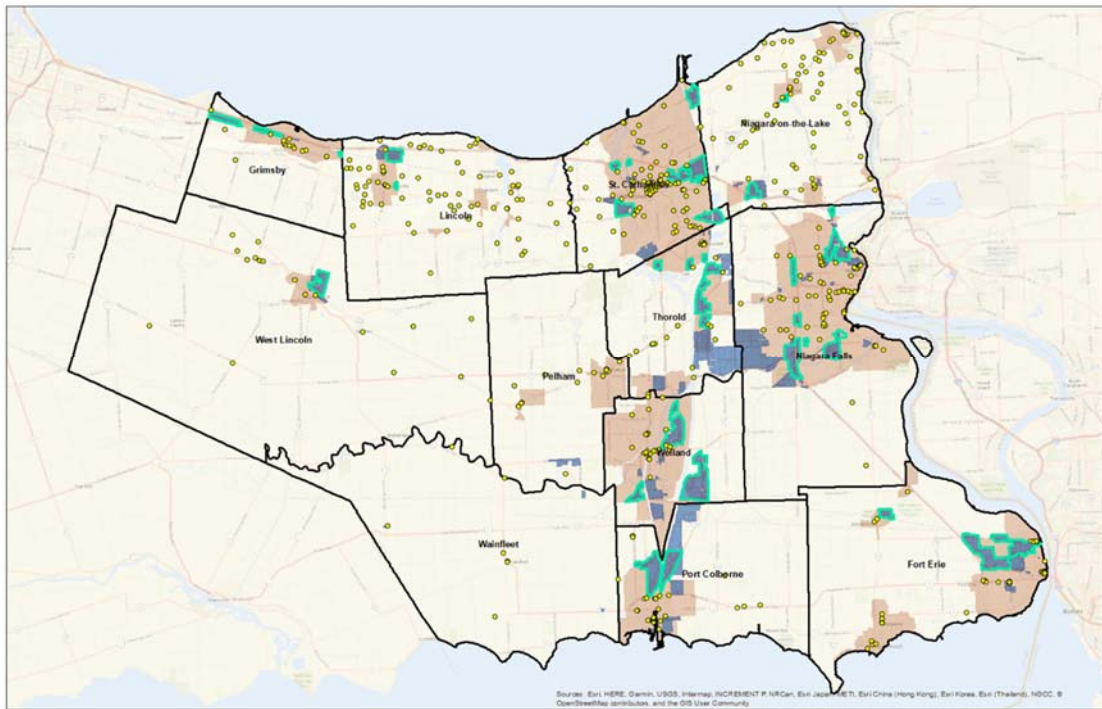
**Map 2: Designated Employment Land and Draft Regional Employment Areas**



Some of the considerations with regard to the economic base and geography of employment in Niagara, which warranted this update, are discussed below.

- **Employment Land Employment**

Map 3 illustrates the location of businesses reporting employment in the NEI survey that are within the NAICS industrial sectors but located outside of the local land use designated employment areas in the Region. For the purposes of forecasting and assessing employment area land need, it is typically assumed that most (90%+) industrial type or “Employment Land Employment” category jobs are located on designated employment lands. The category itself is explicitly designed to capture such jobs. In Niagara Region however, the NEI data reveals that many of the industrial type employers within these sectors are actually located elsewhere within Community Areas and the rural area of the Region and are home to 6,840 jobs.

**Map 3 Designated Employment Land and Draft Regional Employment Areas**

The 2016 employment by type information was therefore adjusted, resulting in a revised base for the employment by type forecasts that accounts for the results of the Niagara Employment Inventory (NEI) 2018, in the context of the 2016 Census. The employment survey information was used as a basis for distributing the Census based employment by NAICS and land use based categories for 2016. The results highlighted some notable differences from the allocation of employment by type that formed the basis for the MCR (and prior) forecasts of employment by type for Niagara Region. The differences in some cases were significant enough to warrant a closer review and update to the employment by type forecasts. This was undertaken to ensure the most appropriate basis for assessing the need for Employment Area land for the

forecast period, as well as understanding the anticipated number of jobs to be accommodated in Community Areas, and in turn, on new DGA land.

The results suggest the forecasts prepared through the MCR had overstated the amount of employment located in the employment areas of the Region. The forecasts prepared at the time were based on allocating typical NAICS components to the Employment Land Employment category working toward what appeared to be a reasonable total based on land and density for the Employment Areas. However, in the context of comparing the 2018 NEI and the 2016 Census results, this appears to have been an over-estimate. This is partly because the typical industrial categories of manufacturing and warehousing are far less concentrated in employment areas in Niagara Region than is typical in most other places. There is a relatively significant amount of this type of employment located in Community Areas and in the rural area, largely related to Niagara's agriculture base, and employment related to wine production. As well, the uses within the employment area are a little more industrial and less focused on services than is typical in other jurisdictions. Some definitional adjustments were made to the categories typically used in forecasting employment by type in order to make the data reporting align better with the nature of the economic base and geography of employment within Niagara Region. A re-allocation of the 2016 base data for employment by category was also undertaken and subsequently an update to the 2041 employment by type outlook.

The updates include:

- The Niagara Health System hospital and Brock University are both designated Business Commercial Employment land within the St. Catharines Official Plan. As large institutional employment that together form 10,000 jobs, both the associated employment and lands have been shift to the PRE category reflecting the use. More importantly, these two should not be included as Employment Land Employment as they would skew the analysis of industrial-type employment and industrial-type buildings and land. This type of adjustment is often made in other jurisdictions, including where there are also large retail uses in designated employment areas.

- The “Other Rural-based Employment” category has been redefined from including only uses typically considered rural employment, such as agriculture, quarries and farm-based businesses to a “Rural Area” category, which is intended to account for all of the jobs located in the geographic rural areas of the Region. The result of this change is a higher number in the rural category since many of these jobs had previously been counted as Employment Land Employment, for example those related to food and beverage manufacturing; or as Population-Related, for example the tourism and retail components of wineries, along with some of the construction and transportation jobs.
- For the Town of Wainfleet, the approach is somewhat different in that some employment that is in its rural employment areas have been shifted into Employment Land Employment and some of the standard Population-Related jobs such as retail shifted into the Population-Related category. Since there are no urban areas, the rural area employment category as defined above is not as fitting to the Wainfleet context as elsewhere in the Region with a mix of rural and urban designated lands.

This revised approach to categorizing employment in a Niagara Region context, is, in our view, appropriate both for understanding the employment base and for forecasting purposes. For the purposes of assessing land need for employment, the Provincial LNA methodology is not rigid about the definitions of the categories of employment, but is aimed at land budgeting that most accurately considers future demand by geography within the context of meeting *Growth Plan* policy. The revisions made to the base allocation of employment by type and the revised forecast of employment by type works to ensure this.

The results of the changes to the employment by type base data for 2016 are shown in include:

- Employment Land Employment of 43,500. This is 30,000 less than the 73,600 estimated in the MCR forecasts. About 2/3 of the change is the result of improving the definitional categories to reflect Niagara and about 1/3 is the result of the overestimate described above. Of the 30,000 fewer jobs in this category:

- roughly 10,000 jobs are from more accurately describing employment associated with the hospital and university as Population-Related employment;
  - approximately 5,000 of the prior Employment Land Employment jobs have been shifted into the now-geographically-defined rural area, reflecting Niagara's employment character;
  - 5,000 jobs represent shifting the location of some of the construction/transportation employees<sup>2</sup>; and
  - the balance, roughly 10,000 jobs, is the result of adjusting for the over-estimate of Employment Land Employment for 2016 found in the previous method and forecasts.
- With respect to Population-Related Employment, the 2016 figure for this category is now much larger than before and better reflects the jobs actually located in the urban Community Areas of the Region. The estimate of approximately 25,000 more jobs at 2016 includes the 10,000 jobs shifted out of the Employment Land Employment category from the hospital and university, plus the roughly 5,000 jobs shifted of the Employment Land Employment categorization for construction and transportation, along with the previous 10,000 over-estimate in the MCR forecasts
  - The Major Office category is consistent with recent work undertaken for the City of St. Catharines and is based on a work back from the known total amount of major office space revealed by the NEI survey data.

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<sup>2</sup> In the past, we have typically concentrated a large amount of the construction employment in employment areas (as well as transportation), knowing that this did not reflect the site locations for construction, thereafter the office location of the companies employing construction workers. Some are in employment areas, some construction company offices are in other locations and small contractors and individuals may have a "home-base" almost anywhere at all, all unrelated to the actual construction sites on which they work. Parts of transportation are like this as well, such as school busses, taxi-base facilities, individual truckers, small trucking companies, etc. Based on the NEI survey information, we still cannot capture construction at the building sites, but we do have a much better understanding of the location where the employers are located than in the prior forecast work for the Region.



- The estimate of the now geographically-defined Rural Area employment is nearly 5,000 jobs higher than was estimated through the prior MCR work. This re-categorization on a geographic basis enables a clearer description of rural than the “Other Rural” category generated in the past and elsewhere.

The updated 2016 employment by type by Local Municipality in Niagara Region are provided in Table 5 below.

**Table 5: Employment by Type, Niagara Region by Local Municipality, 2016**

Employment by Employment Type 2016 Employment (Revised based using Niagara Employment Inventory distribution) Niagara Region by Local Municipality					
Municipality	Major Office	Population Related	Employment Land	Rural Area	Total
Fort Erie	0	6,520	3,160	670	10,350
Grimsby	0	6,210	3,260	310	9,780
Lincoln	0	3,970	3,590	3,520	11,080
Niagara Falls	0	32,420	8,340	1,210	41,970
NOTL	0	8,910	1,660	2,460	13,030
Pelham	0	3,310	40	1,160	4,510
Port Colborne	0	3,610	1,970	630	6,210
St. Catharines	8,950	37,590	14,030	1,550	62,120
Thorold	0	4,100	2,940	1,360	8,400
Wainfleet	0	450	440	520	1,410
Welland	0	15,020	2,610	110	17,740
West Lincoln	0	1,970	1,470	900	4,340
<b>Niagara Region</b>	<b>8,950</b>	<b>124,080</b>	<b>43,510</b>	<b>14,400</b>	<b>190,940</b>
	<b>5%</b>	<b>65%</b>	<b>23%</b>	<b>8%</b>	<b>100%</b>

The employment-by-type forecasts to 2041 have also been updated for each Local Municipality within Niagara, and the Region as a whole, based on the new definitional categories. A review of the effect on the total employment outlook by Local Municipality was also undertaken to ensure the MCR total employment forecasts remain a sound basis for planning and assessing land need. The results for total employment forecast by local municipality are similar to the total employment allocation work in all municipalities through the MCR. This suggests that the overall MCR forecasts as updated in 2018 are generally on track and a broader forecast update is not necessary at this time.

The updated employment by type forecast results are shown in Tables 6 and 7 below. The forecasts for total employment for each municipality from the MCR allocations are consistent with the total employment forecasts by municipality prepared in July 2018, along with the assumptions underpinning them. The categorizations and employment by type forecasts in each municipality shown below reflect the changes noted above.

**Table 6: Employment by Type, Niagara Region by Local Municipality, 2041**

Employment by Employment Type 2041 Employment Forecast (incorporating revised categories) Niagara Region by Local Municipality					
Municipality	Major Office	Population Related	Employment Land	Rural Area	Total
Fort Erie	0	10,220	5,770	1,230	17,220
Grimsby	260	8,810	4,900	660	14,630
Lincoln	0	5,630	4,640	4,330	14,600
Niagara Falls	990	43,750	10,890	2,100	57,730
NOTL	0	10,760	1,930	3,350	16,040
Pelham	0	4,860	40	2,020	6,920
Port Colborne	0	3,860	2,310	840	7,010
St. Catharines	13,560	48,290	16,660	1,730	80,240
Thorold	0	5,610	3,420	1,630	10,660
Wainfleet	0	550	530	570	1,650
Welland	330	20,720	7,420	290	28,760
West Lincoln	0	5,260	3,040	1,250	9,550
<b>Niagara Region</b>	<b>15,140</b>	<b>168,320</b>	<b>61,550</b>	<b>20,000</b>	<b>265,010</b>
	<b>6%</b>	<b>64%</b>	<b>23%</b>	<b>8%</b>	<b>100%</b>

**Table 7: Employment Growth by Type, Niagara Region by Local Municipality, 2016-2041**

Employment by Employment Type 2016 to 2041 Employment Growth (incorporating revised categories) Niagara Region by Local Municipality					
Municipality	Major Office	Population Related	Employment Land	Rural Area	Total
Fort Erie	0	3,700	2,610	560	6,870
Grimsby	260	2,600	1,640	350	4,850
Lincoln	0	1,660	1,050	810	3,520
Niagara Falls	990	11,330	2,550	890	15,760
NOTL	0	1,850	270	890	3,010
Pelham	0	1,550	0	860	2,410
Port Colborne	0	250	340	210	800
St. Catharines	4,610	10,700	2,630	180	18,120
Thorold	0	1,510	480	270	2,260
Wainfleet	0	100	90	50	240
Welland	330	5,700	4,810	180	11,020
West Lincoln	0	3,290	1,570	350	5,210
<b>Niagara Region</b>	<b>6,190</b>	<b>44,240</b>	<b>18,040</b>	<b>5,600</b>	<b>74,070</b>
	<b>8%</b>	<b>60%</b>	<b>24%</b>	<b>8%</b>	<b>100%</b>

There is no change to the total employment or housing forecasts or the Local Municipal allocations as an outcome of the forecast review. The revised employment by type forecasts however do have implications for how anticipated growth is distributed between Community Areas and Employment Areas within Niagara municipalities. As such, there is also a change to the respective results on land need for new Community Area DGA and Employment Area lands, as described in the section that follows.

#### D. DRAFT REGIONAL LAND NEEDS ASSESSMENT

The Niagara LNA results have been updated based on the new employment type forecasts and municipal engagement throughout July and August 2019. The new base and forecast of employment located on Employment Areas and on Community Area lands have been supplanted in the Niagara LNA work, and updated results on land need generated.

The revisions to the growth in employment by type forecasts changes the results for total employment in Employment Areas and the number of Community Area jobs anticipated to be located on new Community Area DGA. The changes in job growth by policy area were updated in the Niagara LNA work, necessitating a change in anticipated land needs at 2041 for both Employment Areas and Community Areas.

Tables 8 through 10 provide a summary of the Niagara LNA based on the updates to employment forecasts and municipal consultation.

**Table 8: Community Area (DGA) Land Needs at 2041**

Community Area Land Need at 2041 Niagara Region Land Needs Assessment				
Municipality	Total Residents and Jobs within the DGA at 2041	Community Area Land Need (ha)	Developable Community Area DGA Land (ha)	New Community Land Need or (Excess) (ha)
Fort Erie	10,942	219	207	12
Grimsby	3,731	75	67	8
Lincoln	4,874	97	109	-12
Niagara Falls	43,686	874	698	176
NOTL	12,245	245	324	-79
Pelham	9,163	183	199	-16
Port Colborne	3,679	74	552	-478
St. Catharines	5,029	101	115	-14
Thorold	11,264	225	846	-621
Welland	12,476	250	210	40
West Lincoln	13,778	276	128	148
<b>Niagara Region</b>	<b>130,867</b>	<b>2,617</b>	<b>3,455</b>	<b>-838</b>

**Table 9: Employment Area Land Needs at 2041**

Employment Area Land Need at 2041 Niagara Region Land Needs Assessment					
Municipality	New Employment Area Jobs at 2041	New Employment Area Density (Jobs/ha)	New Employment Area Land Need (ha)	Vacant Designated Employment Area (ha)	Employment Area Land Need or (Excess) (ha)
Fort Erie	3,773	15	252	117	135
Grimsby	2,014	37	54	12	42
Lincoln	1,123	25	45	12	33
Niagara Falls	3,091	20	155	95	60
NOTL	360	34	11	31	-20
Pelham	0	0	0	0	0
Port Colborne	349	7	50	148	-98
St. Catharines	4,001	48	83	82	1
Thorold	551	18	31	146	-115
Welland	3,793	16	237	220	17
West Lincoln	1,719	18	96	34	62
<b>Niagara Region</b>	<b>20,774</b>	<b>21</b>	<b>1,012</b>	<b>897</b>	<b>115</b>

**Table 10: Community Area DGA and Employment Area LNA Results**

Overall Land Needs Assessment Result Niagara Region Land Needs Assessment			
Municipality	New Community Land Need or (Excess) (ha)	Employment Area Land Need or (Excess) (ha)	Total Land Need or (Excess) (ha)
Fort Erie	12	135	146
Grimsby	8	42	50
Lincoln	-12	33	21
Niagara Falls	176	60	235
NOTL	-79	-20	-100
Pelham	-16	0	-16
Port Colborne	-478	-98	-577
St. Catharines	-14	1	-13
Thorold	-621	-115	-736
Welland	40	17	57
West Lincoln	148	62	209
<b>Niagara Region</b>	<b>-838</b>	<b>115</b>	<b>-723</b>

The Niagara Region Land Needs Assessment indicates that the Region, overall, requires an additional 115 hectares of Employment Area and has an estimated supply of 723 hectares of excess Designated Greenfield Land.

## **E. CONCLUDING REMARKS AND NEXT STEPS**

The updated forecasts and Niagara LNA results provided in this memorandum reflect the results of a detailed review and update to the MCR forecasts prepared for the Region in 2018, particularly to address the results of the 2018 NEI survey and assessment of preliminary LNA work undertaken by the Region. The analysis and updated results are based on the most current understanding of the distribution of existing development patterns and employment by type and location in the Region, as well as significant engagement between the Region and local municipalities.

The Niagara LNA is consistent with the current Provincial LNA methodology; assesses land need based on accommodating anticipated population and employment growth under Schedule 3 of the *Growth Plan* at 2041; and works to implement the policies the *Growth Plan*, 2019. That is, the results of this updated LNA meet or exceed the required minimum growth management targets. The Niagara LNA results indicate more than a sufficient quantum of designated Community Area lands and a shortage of Employment Area lands to accommodate the growth outlook to 2041. There is however, significant variation at the Local Municipal level, a key issue to be addressed through the Region's ongoing growth management work in consultation with its Local Municipal partners.

It is anticipated that the Provincial LNA methodology will be revised in the near-term in order to address the *Growth Plan*, 2019. At such time, the Region may wish to revisit the Niagara LNA work and results for continued consistency with Provincial policy in effect.