



# NIAGARA OFFICIAL PLAN

## **Draft Land Needs Assessment Summary**

Preliminary results, subject to refinement following consultation with the Province, local municipalities, and public

Niagara Region  
May 2021

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**GROWING REGION**



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## Land Needs Assessment Overview

The Land Needs Assessment (“LNA”) is a technical, Region-led process that determines the amount of land required for each local municipality based on the Provincially-allocated overall growth to 2051.

Specifically, the Region must calculate the amount of designated land each local municipality requires to accommodate population, housing and employment forecasts provided in *A Place to Grow: Growth Plan for the Greater Golden Horseshoe* (“Growth Plan”).

The Minister of Municipal Affairs and Housing, as directed by the *Growth Plan*, released the *Land Needs Assessment Methodology for the Greater Golden Horseshoe* (“the *Methodology*”) in August 2020. The Region is required to use the *Methodology* in combination with the policies of the *Growth Plan* to determine the amount of land required to accommodate forecasted growth.

The *Methodology* is used to calculate two separate land needs, one for *Community Area* and one for the *Employment Area*.

Conducting the LNA is an iterative process and requires substantial direction and input from background strategies associated with the Niagara Official Plan (“NOP”) as well as consultation with the public, local municipalities and Province.

**This report provides a summarized version of a LNA and the results are to be considered preliminary and for the purpose of engagement and consultation.**

**Following this consultation, a final Land Needs Assessment will be prepared for Regional Council consideration in August 2021. Feedback is requested by July 2, 2021 to ensure the August 2021 date can be met.**

## How to Read this Report

This report follows the Provincial *Methodology* process and provides a summary for each component outlined within it. The report does not represent the final land needs assessment.

### Updated Provincial Methodology

The *Methodology* replaces a previous 2018 version. The revised *methodology* follows a similar process, but includes a focus on providing for market-based demand for housing mix and targets. An interim draft LNA was conducted in 2019 using the previous 2018 methodology. A summary of the results between the 2019 and current *methodology* is provided later in this report.

Importantly, if other associated Official Plan Strategies are revised, inputs from those revisions may change the output of the LNA.

The Region retained Hemson Consulting to provide assistance with land needs assessment work. The Region worked with Hemson Consulting to revise and extend growth allocations to 2051. Previous work from Hemson Consulting identified growth to 2041, since that was the time horizon prior to the release of the August 2020 *Growth Plan and Methodology*.

**Appendix 3.3** contains the Hemson Technical update *Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051* (“2051 Growth Update Memo”).

The *2051 Growth Update Memo* should be read in conjunction with this Report. That document provides greater details on allocations, housing mix, employment forecasts and accommodating market-demand. The *2051 Growth Update Memo* is referenced frequently within this document.

Finally, the results of the LNA must be viewed as preliminary and will continue to be refined through the Official Plan process and consultation noted above.

The Province is the approval authority on the LNA and requires consultation be done prior to submitting the final LNA.

A **Glossary of Terms** is provided at the end of this summary to provide clarity on frequently used terms and/or terms from Provincial policy.

## **Relationship to Official Plan Strategies**

The Land Needs Assessment implements the directions of other Official Plan strategies provided as part of this overall Joint Report.

The LNA itself does not propose policy direction nor does it provide a range of options – it is simply the calculated land required for growth to 2051 based on inputs identified in associated Official Plan strategies.

The table below sets out how other Official Plan Strategies provide input in to the LNA.

<b>Official Plan Strategy or Report</b>	<b>Input in LNA</b>
<b>2051 Growth Update</b>	Population Forecast Housing Forecast Employment Forecast
<b>Regional Structure</b>	Intensification Rate Designated Greenfield Area Density Strategic Growth Area Density
<b>Employment Strategy</b>	Employment Area Delineation Employment Area Supply Vacant Employment Area (ha)
<b>Natural Environment Strategy</b>	Non-Developable Natural Features Vacant Designated Community Area Lands

Changes made to the inputs in the above Official Plan strategies may impact the *Community* or *Employment Area* land needs.

Details about the above inputs, and the relationship to the identified Strategies, is provided throughout this LNA Summary.

## Public Consultation and Engagement

The Municipal Comprehensive Review (now, called the Niagara Official Plan) was first initiated in 2014 and has been through significant consultation and continuous evolution.

The following summary identifies milestone consultation efforts made so far which covered growth allocations and land needs assessment.

Project Phase	Date	Description
<b>Niagara 2041: Growth Options</b>	November 17, 2015	Public Information Center: Town of Grimsby
	November 18, 2015	Public Information Centre: City of Port Colborne
	November 19, 2015	Public Information Centre: City of St. Catharines
<b>Council approved Phase 1 and 2 Report (PDS 15-2016)</b>		
<b>Niagara 2041: Preferred Growth Option</b>	June 15, 2016	Public Information Centre: Town of Fort Erie
	June 16, 2016	Public Information Centre: Township of West Lincoln
	June 22, 2016	Public Information Centre: City of Welland
	November 30, 2016	Public Information Centre: City of Niagara Falls
	December 6, 2016	Public Information Centre: City of Thorold
	December 7, 2016	Public Information Centre: Town of Niagara-on-the-Lake
	December 8, 2016	Public Information Centre: Town of Lincoln
<b>Preferred Growth Option Forecast approved for Development Charges Study (PDS 37-2016)</b>		

Project Phase	Date	Description
2017 Provincial Plan Review and Release of Growth Plan (2018)		
<b>Regional Council deem Pre-2017 Growth Plan MCR complete and Growth Management work transitioned into new Niagara Official Plan (PDS 21-2018)</b>		
<b>Niagara Official Plan: Employment Strategy</b>	October 10, 2019	Industry Stakeholder Session: Town of Niagara-on-the-Lake
<b>Niagara Official Plan: Growth Strategy</b>	November 6, 2019	Public Information Centre: City of Thorold
	November 7, 2019	Public Information Centre: City of Niagara Falls
	November 13, 2019	Public Information Centre: Town of Grimsby
	November 14, 2019	Public Information Centre: Town of Fort Erie
<b>Niagara Official Plan: Employment Strategy</b>	February 25, 2020	Industry Stakeholder Session: Town of Niagara-on-the-Lake
Release of Growth Plan (2020) and Revised Land Needs Assessment Methodology		
<b>Settlement Area Boundary Review Program: Growth Plan Forecasts and Land Needs Assessment Update presented to Council (PDS 29-2020)</b>		
<b>Niagara Official Plan: Growth Management Survey</b>	September – October, 2020	Online Survey related to Growth Management directions and options
<b>Niagara Official Plan: Land Needs, Growth Allocations and Settlement Area Boundary Adjustment</b>	October 7, 2020	Virtual Public Information Centre
<b>Niagara Official Plan: Employment Strategy</b>	October 8, 2020	Virtual Public Information Centre





## Community Area Land Needs Assessment

*Community Area* is defined as the Urban Area, minus *Employment Areas*, and is made up of both the *Delineated Built-Up Area* (as defined and mapped by the Province in 2006) and the Designated Greenfield Area (DGA).

The *Community Area* part of the Land Needs Assessment seeks to quantify the amount (in hectares) of DGA lands that is needed to accommodate the required growth forecasts to 2051.

The *Community Area* Land Needs Assessment is comprised of six components. Below is a discussion of those components and the results.

### Component 1: Population Forecasts

The starting point is the population projection by age group for the Region. This comes from *Growth Plan* Schedule 3, which provides a forecast 2051 population of **674,000** for Niagara Region. The Region must plan to this forecast population, at minimum.

### Component 2: Housing Need

The *Methodology* requires population to be converted into housing units based on household formation rates. Household formation rates are based on the likelihood or tendency of age groups to live in households.

Niagara's household formation rates are anticipated to increase between 2016 (the base Census year) and 2051. A contributing factor is Niagara's aging demographic, which will continue to grow to 2051, with a significant increase in households maintained by people 75 years of age and older. Details are provided in the *2051 Growth Update Memo*.

**Table 1** identifies a need for **288,600** households based on the 2051 population forecast of 674,000.

Table 1: 2016 and 2051 Occupied Households by Age of Household Maintainer

Age	Headship Rate	Occupied Households		2016-2051 Growth	2016-2051 Growth %
		2016	2051		
15 - 19	1.7%	430	550	120	27.9%
20 - 24	14.5%	4,000	4,920	920	23.0%
25 - 29	35.2%	8,640	12,400	3,760	43.5%
30 - 34	48.7%	11,435	17,060	5,625	49.2%
35 - 39	52.9%	12,385	18,900	6,515	52.6%
40 - 44	54.1%	13,825	19,550	5,725	41.4%
45 - 49	57.4%	16,365	21,580	5,215	31.9%
50 - 54	57.7%	19,920	24,180	4,260	21.4%
55 - 59	58.6%	20,050	25,200	5,150	25.7%
60 - 64	58.9%	18,845	24,370	5,525	29.3%
65 - 69	61.2%	18,015	24,970	6,955	38.6%
70 - 74	61.7%	13,675	23,630	9,955	72.8%
75 - 79	65.3%	10,480	23,510	13,030	124.3%
80 - 84	66.5%	8,190	21,120	12,930	157.9%
84 - 89	60.7%	5,185	15,530	10,345	199.5%
90 +	46.3%	2,390	10,730	8,340	349.0%
Total	48.2% (2016)	183,830	288,200	104,370	56.8%
	50.8% (2051)				

Source: Hemson Consulting, Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051, Table 3

The forecast population age structure and household formation information is further used to determine households by housing type. The *Methodology* requires housing forecast by four housing types; single/semi-detached, row houses, accessory dwelling and apartment.

As referenced in the *2051 Growth Update Memo*, the starting point for household forecast by housing type was a market-based demand. Market-based demand is a key consideration within the LNA process and, along with housing affordability, is one of the main drivers in establishing housing mix and land need requirements.

**Table 3** provides a summary of household forecast by housing type between 2021 and 2051.

Table 2: Household Forecast by Housing Type - 2021 to 2051

Household Forecast by Housing Type: 2021 to 2051					
Niagara Region	Single/Semi-Detached	Row House	Accessory Dwelling	Apartment Building	Total
Units	45,150	24,860	1,890	20,140	92,040
Share	49%	27%	2%	21%	100%

Source: Hemson Consulting

### Component 3: Allocation of Housing Need to Local Municipalities

Allocation of Housing Need to local municipalities is based on collaboration with local municipalities and consultation with public and private stakeholders.

Draft allocation covering the period between 2016 and 2041 was completed through Niagara 2041 (see PDS 37-2016) and formed the basis for completion of the pre-2017 Municipal Comprehensive Review (see PDS 21-2018).

After that, additional consultation was undertaken through the Niagara Official Plan process, including Public Information Centres, Official Plan surveys and continued collaboration with local municipalities. The Consultation and Engagement section earlier in this report provides specific details.

Final adjustments to municipal allocations were done to reflect direction from associated Official Plan strategies, including Watershed, Housing and Employment Strategies.

### Housing Affordability

The Housing Report, **Appendix 5.2**, sets out that that the Region's core housing need (including, affordability) will get worse if we continue growth at the existing level. Achieving the minimum forecasts set out the *Growth Plan* will keep the core housing need level at about 13%. To reduce core housing need, even more housing is needed.

One way to create more housing is to provide a greater share of higher density housing types. Row/townhouse and apartment units have a lower average number of people per unit compared to single and semi-detached units. Therefore, increasing the supply of higher density units will require more housing options and reduce core housing need.

The LNA considers a market-based housing mix and its relationship to the planned housing mix. This is a requirement of the *Methodology*. A market-based approach is useful to identify an appropriate variety of housing units to be built to meet the needs of Niagara's population.

The Greenbelt specialty crop designation, present in northern Niagara municipalities, prohibits expansion of Settlement Areas boundaries. In the communities of Grimsby, Lincoln, St. Catharines and Niagara-on-the-Lake, growth is proposed within existing Settlement Areas through intensification of the Built-Up Area – requiring a greater proportion of higher density housing types.

Municipalities outside of the *Greenbelt Plan* area have a relatively lower intensification rate and, therefore, a higher proportion of lower density housing types. The balance between these two geographies is important for supporting market-based demand for housing and protection of specialty crop lands within the Greenbelt Plan area.

**Table 3** provides municipal-level housing allocations by housing type.

Table 3: Housing Unit Growth by Type and Municipality, 2021 to 2051

Housing Unit Growth by Type and Municipality, 2021 to 2051				
Municipality	Single/Semi	Row	Apartment	Total
Fort Erie	4,060	2,700	600	7,360
Grimsby	120	1,350	3,130	4,600
Lincoln	1,590	1,540	1,470	4,600
Niagara Falls	11,980	5,090	3,150	20,220
Niagara-on-the-Lake	3,050	910	630	4,590
Pelham	2,390	1,070	680	4,140
Port Colborne	1,690	430	170	2,290
St. Catharines	3,040	4,500	12,230	19,770
Thorold	3,890	2,390	150	6,430
Wainfleet	450	0	10	460
Welland	3,590	2,450	2,690	8,730
West Lincoln	6,030	2,390	310	8,730
<b>Niagara Region</b>	<b>41,880</b>	<b>24,800</b>	<b>25,220</b>	<b>91,900</b>

Source: Hemson Consulting, Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051, Table 17

#### Component 4: Housing Supply Potential by Policy Area

The *Methodology* requires municipalities to plan for growth within three policy areas:

1. Delineated Built-Up Area
2. Designated Greenfield Area
3. Rural Area

Development within the *delineated built-up area* is referred to as Intensification. The *delineated built-up area* was established by the Province in 2008 and was further refined through Niagara 2031, the Region's Growth Management Strategy that implemented the policies of the 2006 Growth Plan.

The *Growth Plan* requires 50% of future household growth in Niagara to be directed to the *delineated built-up area*. This is an increase from 40% in the Region's current Official Plan, which was the intensification target in the 2006 Growth Plan.

The Region seeks to exceed this requirement. The analysis conducted through the Regional Structure Strategy (**Appendix 4.2**) identified a **Regional Intensification Rate of 56%**. This target is well above the minimum 50% identified in the *Growth Plan*.

The impact of the higher intensification rate is a reduction in overall *Community Area Land Need*. Changes to the Regional Structure, allocations of growth or density targets, will have a direct impact on overall land need and may impact the Region's ability to support market-based demand for housing.

The *Designated Greenfield Area* ("DGA") is the remainder of the designated urban area outside of the *delineated built-up area*.

The *Growth Plan* sets out that the Region must plan for a minimum density target of 50 people and jobs per hectare within the DGA.

The Rural Area is considered all areas outside of Urban Settlement Areas, and includes the Agricultural System and Rural Settlements (Hamlets). Rural housing need will be addressed in the final Land Needs Assessment.

Housing forecasts by municipality, within the three policies areas, is based on an assessment of intensification opportunities and development potential within the DGA. Intensification rates, established through the Regional Structure, are based

on a combination of consultation with local municipalities and an assessment of the capacity for growth within the *delineated built-up area*.

**Table 4** provides household forecast by policy area for each municipality and identifies the overall intensification rate of 56%.

Table 4: Housing Forecast by Policy Area and Municipality, 2021 to 2051

Shares of Household Growth by Policy Area Niagara Region by Local Municipality, 2021-2051				
Municipality	Built Up Area	DGA	Rural	Total
Fort Erie	50.0%	49.5%	0.5%	100%
Grimsby	98.0%	1.5%	0.5%	100%
Lincoln	80.0%	19.5%	0.5%	100%
Niagara Falls	50.0%	49.5%	0.5%	100%
Niagara-on-the-Lake	25.0%	74.5%	0.5%	100%
Pelham	25.0%	74.5%	0.5%	100%
Port Colborne	30.0%	69.5%	0.5%	100%
St. Catharines	95.0%	4.5%	0.5%	100%
Thorold	25.0%	74.5%	0.5%	100%
Wainfleet	0.0%	0.0%	100.0%	100%
Welland	60.0%	39.5%	0.5%	100%
West Lincoln	13.0%	86.5%	0.5%	100%
<b>Niagara Region</b>	<b>56.0%</b>	<b>43.0%</b>	<b>1.0%</b>	<b>100.0%</b>

Source: Hemson Consulting, Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051, Table 8

As with Component 3, the *Methodology* requires housing forecasts within each of the policy areas to be broken out into housing type. The distribution of housing type within each policy area must be based on an achievable housing mix and consider market-demand.

Within the *delineated built-up area*, the housing mix is predominately higher density forms of housing including row and apartment housing. In contrast, the housing forecast within the DGA and Rural area is predominately ground-related, with 72% of units anticipated to be single or semi-detached.

**Table 5** and **Table 6** provide housing unit forecasts by municipality within the *delineated built-up area* and DGA.

The Township of Wainfleet is excluded from both tables as Wainfleet does not have an Urban Settlement Area and all forecast housing growth will occur within the *Rural Area*, in Rural Settlements and on other agricultural lands.

Table 5: Housing Forecast by Unit Type, Delineated Built-Up Area, 2021 to 2051

<b>Delineated Built-Up Area Housing Unit Growth, 2021 to 2051</b>				
<b>Municipality</b>	<b>Single/Semi</b>	<b>Row</b>	<b>Apartment</b>	<b>Total</b>
<b>Fort Erie</b>	1,520	1,620	540	3,680
<b>Grimsby</b>	110	1,330	3,060	4,500
<b>Lincoln</b>	1,430	920	1,320	3,670
<b>Niagara Falls</b>	4,220	3,050	2,830	10,100
<b>Niagara-on-the-Lake</b>	240	350	560	1,150
<b>Pelham</b>	350	500	180	1,030
<b>Port Colborne</b>	400	130	160	690
<b>St. Catharines</b>	2,480	4,370	11,930	18,780
<b>Thorold</b>	580	890	140	1,610
<b>Welland</b>	920	1,730	2,590	5,240
<b>West Lincoln</b>	760	120	250	1,130
<b>Niagara Region</b>	<b>13,020</b>	<b>15,010</b>	<b>23,560</b>	<b>51,590</b>

Source: Hemson Consulting, Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051, Table 13

Table 6: Housing Forecast by Unit Type, DGA, 2021 to 2051

Designated Greenfield Area Housing Unit Growth, 2021 to 2051				
Municipality	Single/Semi	Row	Apartment	Total
Fort Erie	2,500	1,080	60	3,640
Grimsby	0	10	60	70
Lincoln	140	610	150	900
Niagara Falls	7,660	2,040	310	10,010
Niagara-on-the-Lake	2,800	564	66	3,430
Pelham	2,010	570	500	3,080
Port Colborne	1,280	300	20	1,600
St. Catharines	460	130	300	890
Thorold	3,290	1,500	20	4,810
Welland	2,630	720	100	3,450
West Lincoln	5,230	2,270	60	7,560
<b>Niagara Region</b>	<b>28,000</b>	<b>9,794</b>	<b>1,646</b>	<b>39,440</b>

Source: Hemson Consulting, Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051, Table 15

### Component 5: Community Area Jobs

The *Methodology* requires *Community Area* jobs be allocated within the DGA portion of the *Community Area* to calculate the total number of residents and jobs occurring within it.

*Community Area* jobs are predominately within the Major Office and Population-Related Employment categories. For the purposes of the *Community Area* assessment, *Community Area* jobs are further distinguished between the *delineated built-up area* and *designated greenfield area*.

*Community Area* jobs were calculated based on existing development proposals, land use permissions, and factoring in Work At Home employment.

### Work At Home

How Work at Home employment is incorporated into the Land Needs Assessment impacts *Community* and *Employment Area* Land needs.

Since the onset of the Covid-19 pandemic to the time of preparing this LNA Summary, many jobs have shifted to a Work at Home setting, although the Region does not have specific data quantifying such a shift.



At the time of writing, the Region and other experts are unsure the long-term impacts for Work at Home. For the preparation of the LNA, this is an important consideration for how Work at Home may impact the calculation of different Employment Types.

In Niagara, the majority of *Employment Areas* are considered Core and Dynamic (as defined in the Employment Strategy, **Appendix 10.2**). Jobs within these areas are largely categorized as Employment Land Employment and occur onsite. Therefore, moving Employment Land Employment jobs out of *Employment Areas* would result in an erroneous reduction in *Employment Area* land requirements.

Alternatively, Major Office and Population-Related Employment jobs are those that are most likely to be Work at Home. In other words, those are the types of jobs that may see long-term Work from Home changes. That type of job is predominantly located within the *Community Area*.

The approach taken in the draft LNA is to maintain similar Work at Home rates, generally consistent with pre-Covid-19 pandemic conditions. This ensures the greatest flexibility within *Employment Areas* and maintains a sufficient supply of lands in the event there is not a significant long-term shift to Work at Home.

In this way, the Region is being conservative in its LNA. Work from Home trends will be carefully monitored and, if warranted, future Official Plan changes will be advanced to address those trends.

**Table 7** provides an estimated number of jobs within the DGA portion of the Community Area for each urban municipality.

Table 7: DGA Community Area Job Forecast, 2021 to 2051

DGA Community Area Job Forecast, 2021-2051	
Municipality	Total
Fort Erie	250
Grimsby	5
Lincoln	745
Niagara Falls	565
Niagara-on-the-Lake	630
Pelham	560
Port Colborne	110
St. Catharines	1,555
Thorold	500
Welland	265
West Lincoln	2,000
<b>Niagara Region</b>	<b>7,185</b>

#### Component 6: Need for Additional Land

The final component of the *Community Area* LNA brings together the forecast housing units and employment within the DGA to establish an overall land need based on achieving the minimum density target of 50 people and jobs per hectare.

To determine land need, the forecast housing units in **Table 6** are compared to the planned units (units that are within either a draft or registered Plan of Subdivision) within each municipality. The surplus, or shortfall, of units is converted into residents based on the Persons Per Unit rate<sup>1</sup> for each unit type.

Finally, DGA Community Area job forecasts in **Table 7** are added to establish an overall people and jobs target for the DGA.

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<sup>1</sup> The Person Per Unit (PPU) rate is based on the 2017 Niagara Region Development Charges Background Study. This Study provides a PPU of 2.91 for single/semi-detached, 2.12 for row and 1.62 for apartment. PPU rates may be revised based on forthcoming Development Charges Study work undertaken later in 2021.

The overall population and employment target is converted to a land need in hectares based on the minimum density target of 50 people and jobs per hectare.<sup>2</sup>

**Table 8** provides the *Community Area* Land Needs Assessment results.

Table 8: Overall Community Area Land Need, 2021 to 2051

<b>DGA Community Area Land Need, 2021-2051</b>				
<b>Municipality</b>	<b>Population and Employment Growth within the Unplanned DGA</b>	<b>Area Required (ha)</b>	<b>Area Designated<sup>3</sup> (ha)</b>	<b>Additional Land Need (ha)*</b>
<b>Fort Erie</b>	8,170	165	60	105
<b>Grimsby</b>	120	5	0	5
<b>Lincoln</b>	2,410	25	25	0
<b>Niagara Falls</b>	22,970	460	200	260
<b>Niagara-on-the-Lake</b>	9,435	75	75	0
<b>Pelham</b>	3,215	65	25	40
<b>Port Colborne</b>	4,365	85	260	-175
<b>St. Catharines</b>	3,655	75	60	15
<b>Thorold</b>	4,795	95	255	-160
<b>Welland</b>	5,770	115	115	0
<b>West Lincoln</b>	20,545	410	40	370
<b>Niagara Region</b>	<b>85,450</b>	<b>1,595</b>	<b>1,115</b>	<b>460</b>

Note: Above numbers have been rounded to the nearest 5.

<sup>2</sup> The density target of 50 people and jobs per hectare excludes Lincoln and Niagara-on the Lake, which have a vacant DGA target of 100 people and jobs per hectare due to the land use permissions within the Major Transit Station Area and Glendale District Plan.

<sup>3</sup> The Area Designated is the gross developable land, within the Designated Greenfield Area, free of non-developable features identified within the *Growth Plan*. The Natural Environment System area removed is based on Option 3B as recommended by the Natural Environment Strategy.

## Community Area Land Needs Summary

Niagara's 12 local municipalities can be placed into three general categories as it pertains to the preliminary LNA results for Community Area:

### 1. Additional Community Area Land Required

Based on the draft LNA, the Town of Fort Erie, City of Niagara Falls and Township of West Lincoln do not have sufficient land to accommodate the 2051 forecast.

The Town of Pelham has a small insufficiency of land.

### 2. No Additional Community Area Land Required

Based on the draft LNA, The Town of Grimsby, Town of Lincoln, Town of Niagara-on-the-Lake, City of St. Catharines, and City of Welland have a sufficient supply of designated lands to accommodate the 2051 forecast.

### 3. Excess Lands

Based on the draft LNA, the City of Thorold and City of Port Colborne have a surplus of designated lands to 2051. The Region is considering tools to address *Excess Lands*.

## Additional Considerations and Revisions

The *Methodology* allows for final adjustments to be made to *Community Area Land Needs*, including a minor increase to land in the event of any expansions, to create a logical boundary.

The *Methodology* also allows for refinements based on constrained lands due to infrastructure and servicing. Determining servicing constraints will be important in assessing *Excess Lands* and where lands may be considered constrained, rather than surplus.

Finally, revisions to associated strategies will require updates to the Land Needs Assessment. Significant changes to municipal allocations or Intensification Rates will directly impact the housing by type mix as currently identified. This may impact the Region's ability to support a market-based supply of housing and change overall land needs.

If an *Employment Area* boundary is changed, it will directly impact the *Community Area* land need. If the *Employment Area* is within the BUA, the result may be an increase to Intensification Rate. If the *Employment Area* is within the DGA, the result would be a decrease in *Community Area* land needs.

All of these considerations will need to be reviewed prior to finalizing the Land Needs Assessment.

The final Land Needs Assessment will need to be a single overall number, endorsed by Council, and provided to the Province for approval.

## Employment Area Land Needs Assessment

### Component 1: Employment Forecasts

Similar to the *Community Area* assessment, the starting point for determining the overall *Employment Area* land need is the employment forecast set out in *Growth Plan* Schedule 3. The *Growth Plan* requires Niagara Region to plan for a minimum employment base of **272,000** jobs by 2051.

The *Methodology* requires the employment forecast to be allocated to local municipalities and be categorized by employment type, including Major Office, Population-Related Employment, Employment Land Employment and Rural based employment. These employment types are defined within the **Glossary of Terms** section at the end of this report.

*2051 Growth Update Memo* sets out the distribution of employment forecasts for Niagara Region.

**Table 9** provides an overview of employment growth by municipality, by employment type, from 2021 to 2051.

Table 9: Niagara Region Employment Growth, 2021 to 2051, by Employment Type

Total Employment Growth by Employment Type, 2021-2051					
Municipality	Major Office	Population-Related Employment	Employment Land Employment	Rural Employment	Total Employment
Fort Erie	140	2,890	3,430	440	6,900
Grimsby	380	2,070	1,130	390	3,970
Lincoln	100	1,580	1,390	1,500	4,570
Niagara Falls	1,150	15,550	2,770	850	20,320
Niagara-on-the-Lake	350	3,040	290	1,480	5,160
Pelham	10	1,600	0	710	2,320
Port Colborne	0	750	350	540	1,640
St. Catharines	4,970	10,780	2,880	590	19,220
Thorold	250	2,540	580	170	3,540
Wainfleet	0	0	0	420	420
Welland	360	4,610	5,300	480	10,750
West Lincoln	160	3,580	1,760	520	6,020
<b>Niagara Region</b>	<b>7,870</b>	<b>48,990</b>	<b>19,880</b>	<b>8,090</b>	<b>84,830</b>

Source: Hemson Consulting, Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051

## Component 2: Employment Allocation

The *Methodology* requires municipalities to further refine forecasts by allocating employment to the *Community*, *Employment*, and *Rural Areas*.

Employment that is expected to occur outside of urban settlement area boundaries is allocated to the *rural area*. The *Methodology* sets out that a small share of employment land employment and population-related employment should be allocated to the *rural area*. This is particularly important in Niagara where certain local municipalities have existing industrial, manufacturing and greenhouse operations within the *rural area*.

The remaining, non-rural jobs are allocated to *Community Area* and *Employment Areas* within settlement areas. Within Niagara, the vast majority of population-

related employment is based within the *Community Area*; only about 5%<sup>4</sup> occurring within *Employment Areas*.

Major office growth is also predominately within the *Community Area*, however, some major office growth will occur within *Employment Areas* that are classified as Knowledge and Innovation within the Employment Strategy.

Finally, the vast majority of employment-land-employment job growth will occur within the remaining *Employment Areas*.

**Table 10** provides a summary of employment forecasts by location.

Table 10: Employment Growth by Type and Municipality, 2021 to 2051

Employment Growth by Policy Area, 2021-2051			
Municipality	Community Area	Employment Area	Rural Area
Fort Erie	2,785	3,610	505
Grimsby	2,135	1,410	420
Lincoln	1,535	1,240	1,795
Niagara Falls	15,785	3,500	1,035
Niagara-on-the-Lake	2,860	790	1,515
Pelham	1,595	0	725
Port Colborne	705	385	550
St. Catharines	14,255	4,270	725
Thorold	2,640	680	230
Wainfleet	0	0	420
Welland	4,515	5,660	580
West Lincoln	3,445	2,000	575
<b>Niagara Region</b>	<b>52,255</b>	<b>23,545</b>	<b>9,075</b>

### Component 3: Employment Area Capacity

The *Methodology* requires employment potential within existing Employment Areas be determined.

<sup>4</sup> 5% is an average. This varies by municipality, particularly those with Knowledge and Innovation Employment Areas as they have a higher share of population-related employment compared to Core and Dynamic Employment Areas.

This is calculated based on the vacant *Employment Area* employment lands and densities identified within the Employment Strategy.

The Employment Policy Paper (**Appendix 10.2**) provides a breakdown of occupied and vacant lands, as well as associated densities, for each of the 34 Employment Areas across the Region.

**Table 11** provides a summary of existing capacity within Employment Areas, by municipality.

Table 11: Existing Employment Area Potential for Additional Employment

Existing Employment Area Potential	
Municipality	Additional Employment Potential
Fort Erie	1,670
Grimsby	1,375
Lincoln	500
Niagara Falls	4,720
Niagara-on-the-Lake	3,615
Pelham	0
Port Colborne	4,010
St. Catharines	2,745
Thorold	4,470
Wainfleet	0
Welland	5,830
West Lincoln	835
Niagara Region	29,765

#### Component 4: Need for Additional Employment Area Land

The final step in determining the *Employment Area* land need is to compare the forecast growth (**Table 10**) with the job growth potential within existing *Employment Areas* (**Table 11**). The difference between the forecast and the potential is divided by the municipal level vacant *Employment Area* land density target.

The vacant density target is based on the sub-grouping of employment type determined through the Employment Strategy. Generally, Core Employment Areas, with traditional/heavier employment type uses, have the lowest vacant land density target. Knowledge and Innovation Employment Areas, with more major office type uses, have the highest density target. Dynamic Employment Areas can have a mix of traditional and lighter employment type uses and have densities that fall in between Core and Knowledge and Innovation.



## Employment Area Densities

Changes to any Employment Area density target within the Employment Strategy will directly impact the Existing Employment Area Potential in **Table 11** and Vacant Employment Area Density Target in **Table 12**. This will either increase or decrease the associated amount of Employment Area land required to meet 2051 forecasts.

**Table 12** provides a summary of the Employment Area Land Needs.

Table 12: Employment Area Land Need, by Municipality, 2021 to

Employment Area Land Need by Municipality, 2021-2051			
Municipality	Unaccommodated Employment Growth	Vacant Employment Area Density Target (Jobs/ha)	Employment Area Land Need (ha)*
Fort Erie	1,940	15	130
Grimsby	40	50	0
Lincoln	740	45	15
Niagara Falls	(1,300)	35	(35)
Niagara-on-the-Lake	(2,220)	95	(25)
Pelham	0	0	0
Port Colborne	(3,625)	30	(120)
St. Catharines	1,450	50	30
Thorold	(1,690)	30	(55)
Wainfleet	0	0	0
Welland	(175)	20	(10)
West Lincoln	1,165	25	50
<b>Niagara Region</b>	<b>(3,670)</b>	<b>30</b>	<b>(20)</b>

Note: Above numbers have been rounded to the nearest 5.

## Employment Area Land Needs Summary

The result of the *Employment Area* component of the LNA suggests the Town of Fort Erie and Township of West Lincoln do not have sufficient supply of *Employment Area* to accommodate the forecast growth to 2051.

Other municipalities that have a perceived surplus of *Employment Area* land, and a deficit of *Community Area* land, are encouraged to convert surplus lands prior to expanding settlement area boundaries. The conversion of *Employment Area* lands to *Community Area* lands can only occur under certain conditions. A discussion of conversions is provided in the Employment Policy Paper, **Appendix 10.2**.

## Differences between Draft 2019 LNA Results and 2020 LNA Results

As referenced in the Overview section of this report, the Province released a new Land Needs Methodology in August, 2020. The *Methodology* replaced the previous 2018 version that had been a companion piece with the 2018 *Growth Plan*.

The Region and Hemson Consulting prepared an interim draft LNA in September 2019 based on the 2018 methodology and *Growth Plan*. The draft assessment was included in PDS 29-2020 *Settlement Area Boundary Review Program: Growth Plan Forecasts and Land Needs Assessment Update*, which was received by Council on September 17, 2020.

The 2019 draft LNA considered a planning horizon of 2016 to 2041.

The current draft LNA, presented here, is based on the revised *Methodology* and 2020 Growth Plan with a planning horizon of 2021 to 2051.

The 2020 *Growth Plan* continues to use the same Designated Greenfield Area density target and minimum Intensification Rate as the previous version of the *Growth Plan*.

The revised *Methodology* simplifies the process for calculating *Community Area* land needs and adds emphasis for ensuring the planned housing mix can accommodate market-based housing demands.

Comparing the results of the draft *Community Area* land needs between the 2019 and current LNA is a challenge given the different planning horizons, increased population, employment and housing forecasts and methodology changes.

The draft *Employment Area* (2019) and current LNA may be compared more easily. The process for calculating Employment Area land need is generally consistent between the two methodologies. Notwithstanding different planning horizons, the overall forecast for Employment Land Employment is consistent between the two documents. In other words, the updated 2051 employment forecasts have a similar number of Employment Land Employment jobs as the previous 2041 forecast.

In comparing the 2019 and current LNA, there is a difference of approximately 95 hectares of *Employment Area* land need. The difference can be attributed to revised *Employment Area* boundaries and associated densities between 2019 and 2021.

## Employment Area Revisions

The Employment Policy Paper work has been ongoing since 2018. Throughout the Paper, numerous changes and revisions have been made based on consultation with local municipalities and industry.

As such, the draft *Employment Area* LNA conducted in 2019 used the best available information at the time and was based on consultation undertaken up until that point.

Appendix B within the Employment Policy Paper (**Appendix 10.2**) provides a comprehensive overview of changes made to each *Employment Area* since the draft 2019 assessment.

## Natural Environment System Impacts

The Natural Environment System (“NES”) impacts the overall land need within both the *Community Area* and *Employment Area*.

The draft *Community Area* and *Employment Area* LNA set out in this report is based on NES Option 3B.

Generally, the LNA differences between the NES Options is relatively minor.

Looking specifically at *Community Area* LNA, the determination of future need is based on unplanned, vacant lands within the *Designated Greenfield Area*. The approach set out in the *Methodology* is to remove all natural features and systems from the developable land supply (i.e. DGA). This is done for the specific purpose of ensuring a sufficient land supply is designated within each municipality to accommodate 2051 forecasts.

Impacts on the *Employment Area* LNA is also minor given the *Methodology* is focused on vacant, developable lands and some intensification on developed lands.

In other words, since DGA land supply is relatively similar between the NES Options, the impact between Options on LNA is relatively small.

We note that additional lands may be added to the land supply through future Environmental Impact Studies; this occurs through the development application process and is not associated with the determination of land need for purposes of the LNA.

The *Community Area* LNA impact between Options 1, 2, 3A and Option 3C is relatively small at **37 hectares**.

**Table 13** provides a comparison of developable land supply based on NES Options on the vacant and unplanned Designated Greenfield Area.

Table 13: Unplanned DGA Land Supply based on Natural Environment System Options

Developable Unplanned DGA Land Supply by Natural Environment System Option				
Municipality	NES Options 1,2, and 3A Dev Area (ha)	NES Option 3B Dev Area (ha)	NES Option 3C Dev Area (ha)	Difference from 1 to 3C (ha)
Fort Erie	60	59	59	-1
Grimsby	0	0	0	0
Lincoln	28	26	25	-3
Niagara Falls	207	201	197	-9
Niagara-on-the-Lake	77	75	74	-3
Pelham	26	25	25	-1
Port Colborne	260	258	251	-9
St. Catharines	61	59	59	-2
Thorold	258	256	250	-8
Welland	116	114	114	-2
West Lincoln	41	40	40	-1
<b>Niagara Region</b>	<b>1,132</b>	<b>1,114</b>	<b>1,094</b>	<b>-37</b>

## Conclusion

This LNA Summary provides a draft assessment of how *Community Area* and *Employment Area* land need is calculated.

The *Growth Plan* requires that the Province approve the Region's final LNA. The Region has been consulting with the Province on the draft LNA and will continue to communicate until a final assessment is presented to Council for endorsement.

Prior to releasing this document, the Region provided local area municipalities with draft summary information related to land need, as well as population and employment allocations. The Region will continue to consult with local municipalities and refine the draft LNA based on inputs from local strategies where applicable.

This Report and related materials are available for the public and stakeholder consultation following the release of this Joint Report. Public consultation is planned for spring and summer 2021.

The Region will report back to Council in late summer with a final LNA after the above consultation is complete and refinements have been made based on direction from associated Strategies and consultation efforts.

Once Council has endorsed the LNA, substantive changes to the LNA should not occur for the remainder of the NOP process. Small refinements to the overall LNA, or distribution between municipalities may be required, however, overall LNA should remain static. This is to ensure consistent recommendations and decisions can be advanced for consideration based on the established Region-wide LNA.

## Glossary of Terms

**Community Area:** Areas where most of the housing required to accommodate the forecasted population will be located, as well as most population-related jobs, most office jobs and some employment land employment jobs. Community areas include delineated built-up areas and designated greenfield areas (Provincial Land Needs Assessment Methodology).

**Delineated Built-Up Area:** The limits of the developed urban area as defined by the Minister in consultation with affected municipalities for the purpose of measuring the minimum intensification target in the Growth Plan (Growth Plan).

**Designated Greenfield Area:** Lands within *settlement areas* (not including *rural settlements*) but outside of *delineated built-up areas* that have been designated in an official plan for development and are required to accommodate forecasted growth to the horizon of this Plan. *Designated greenfield areas* do not include *excess lands* (Growth Plan).

**Employment Area:** Areas where most of the employment land employment jobs are (i.e. employment in industrial-type buildings), as well as some office jobs and some population-related jobs, particularly those providing services to the employment area. Employment areas may be located in both delineated built-up areas and designated greenfield areas (Provincial Land Needs Assessment Methodology).

**Employment Land Employment:** all employment in urban industrial-type employment areas, excluding major office. As well, large retail concentrations and major institutions that lie within employment areas are excluded from the Employment Land Employment category (2020 Growth Plan).

**Excess lands:** Vacant, unbuilt but developable lands within settlement areas but outside of delineated built-up areas that have been designated in an official plan for development but are in excess of what is needed to accommodate forecasted growth to the horizon of this Plan (Growth Plan).

**Headship Rate:** The headship rate is defined as the ratio of the number of household heads or household maintainers to the population 15 years of age and older (Government of Canada).

**Intensification:** The development of a property, site or area at a higher density than currently exists through:

- a. *redevelopment*, including the reuse of *brownfield sites*;
- b. the development of vacant and/or underutilized lots within previously developed areas;
- c. infill development; and
- d. the expansion or conversion of existing buildings (PPS, 2020).

**Major Office:** Freestanding office buildings of approximately 4,000 square metres of floor space or greater, or with approximately 200 jobs or more (Growth Plan).

**Population-Related Employment:** Population-Related Employment is all employment within urban community areas, except major office, and is mainly commercial retail, institutional and urban work at home employment. Major concentrations of retail or large institutions excluded from Employment Land Employment are also part of Population-Related Employment (2051 Growth Update).

**Rural Area:** Rural Area, for the purposes of the Land Needs Assessment, refers to all lands outside of urban Settlement Area Boundaries. The Rural Area includes Rural Settlements, Prime Agricultural Lands and Rural Lands.

**Rural Employment:** all employment occurring within the rural geography with the few exceptions for major industrial uses or larger rural industrial areas. Work at home employment is typically a substantial proportion of the rural employment base (Hemson Consulting, Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051).