
Subject: Niagara Official Plan: Preferred Urban Settlement Area
Recommendations

Report to: Planning and Economic Development Committee

Report date: Wednesday, March 9, 2022

Recommendations

1. That Council **ENDORSE** Urban Settlement Area Boundary recommendations, contained in report PDS 6-2022; and
2. That report PDS 6-2022 be **CIRCULATED** to Local Municipalities, the NPCA and the Ministry of Municipal Affairs and Housing.

Key Facts

- This report provides preferred urban Settlement Area boundary recommendations for the purpose of the Niagara Official Plan (NOP) Statutory Public meeting.
- A Place to Grow directs Niagara Region to plan for population and employment growth to 2051 and ensure a sufficient supply of developable land, as identified through a Land Needs Assessment, is available within Settlement Areas.
- It also requires Niagara to plan for a minimum 50% intensification rate within existing settlement area boundaries. Niagara has allocated 60% of new housing growth, significantly higher than required, to its built-up areas.
- PDS 41-2021 identified a shortfall of Community and Employment Area lands within Niagara's urban areas and provided expansion recommendations with detailed assessment information for each location reviewed.
- Following Council's receipt of PDS 41-2021, staff consulted on the recommendations. A record of the consultation points through meetings, phone calls, a webinar and submissions is attached to this report. Consultation on settlement area boundary expansions concluded on February 7, 2022.

- Preferred Settlement Area recommendations have been informed by the consultation process and updates to the Natural Environmental System (NES), infrastructure and agricultural system.
- Two updated recommendations are identified; changes to the Community Area expansion in Fort Erie and delineation of an Employment Area expansion in Welland.
- Settlement Area recommendations are consistent with the Provincial Policy Statement (2020) and conform to A Place to Grow (2020), Niagara Escarpment Plan (2017) and Greenbelt Plan (2017).

Financial Considerations

This report is prepared as part of the NOP program. Council approved the resources to complete the NOP over a five year period as part of the 2017 Budget Process.

Background

A Place to Grow provides 2051 population and employment forecasts for upper- and single-tier municipalities in the Greater Golden Horseshoe. Niagara is required to plan for the minimum forecasts identified in A Place to Grow and ensure Settlement Areas can accommodate forecasted growth within Community and Employment Areas.

Council endorsed the alternative Made-in-Niagara forecast of 694,000 people in August 2021. A Place to Grow mandates a minimum 50% intensification rate for Niagara Region. The NOP targets 60% intensification, well above the Provincial target and 10 year average (50%). As such, Niagara is taking an intensification first approach to managing growth to 2051.

The remaining 40% of population and employment growth is generally allocated to the existing Designated Greenfield Area (DGA) and expansion areas. While the majority of population and employment growth is directed to established built-up and employment areas, Niagara still requires additional urban land to accommodate and plan for growth to 2051, as identified in the December 2021 Land Needs Assessment (LNA). PDS 41-2021 identified draft recommendations on urban Settlement Area expansions to accommodate the land needs associated with 2051 growth targets.

Staff consulted municipalities, land owners, developers and the public on the preliminary recommendations. Supplemental information was provided on various

components of the assessment, including updated information on servicing, the natural environment, agriculture, and transportation connections. This information was used to update the Settlement Area Boundary assessment.

This report presents preferred urban Settlement Area recommendations based on refinements to the assessment. Two revised boundary recommendations are provided in this report; one for Community Areas in Fort Erie and one for Employment Area in Welland. The remaining PDS 41-2021 recommendations remain unchanged. Updates on rural Settlement Area recommendations are included in PDS 7-2022.

Urban Settlement Area recommendations are informed by the Land Needs Assessment and conform to A Place to Grow, Greenbelt Plan and Niagara Escarpment Plan, and are consistent with the Provincial Policy Statement. The following section outlines the consultation process and revisions to the preferred Settlement Area boundary recommendations.

Consultation and Consideration

Multiple consultation efforts on recommended Settlement Area Boundary expansions occurred between December 2021 and February 2022.

First, staff mailed 255 letters to landowners within draft recommended expansion areas. The letters advised the landowners of the SABR process and the potential changes to their property. The Region received a number of phone calls from landowners in response to the letters sent.

Second, landowners or their representatives were given opportunity to request a meeting with staff to discuss their assessment following the December 2021 SABR Report and presentation. A total of 27 meetings were held with interested land owners. Topics of discussion generally included the application of assessment criteria, Provincial policy direction, infrastructure investment and timing, and information used by the Region in its LNA.

Third, a Public Information Centre on Settlement Area Boundary recommendations was held virtually on January 26, 2022. 118 participated and 148 questions were submitted during the session. A summary of questions and answers is included as Appendix 2. The Region received 110 submissions (letters, emails, comments) regarding boundary recommendations. This information has been carefully considered through the

preparation of this report and any adjustments made to recommendations. Written submissions are included in Appendix 3.

The following section provides a thematic summary of comments received on Settlement Area Boundary recommendations and staff response.

1. Focusing Growth within Existing Settlement Area Boundaries

The Region has received a number of inquiries on the subject of intensification versus boundary expansion. More specifically, it is suggested that Niagara should set a higher intensification rate to offset the need for Settlement Area Boundary expansions. In response to this, staff have assessed what increased intensification rates would mean to how growth is allocated in Niagara.

A Place to Grow requires Niagara to plan for a minimum 50% intensification rate. Through the Region's land needs assessment work, Staff, in consultation and with support of municipalities, set a significantly higher intensification target of 60%. This means 60% of new housing growth will be directed to the built-up areas across Niagara over the next 30 years. Specifically, it means over 11,000 additional units will need to be constructed in our built-up (or already developed) areas. By increasing our intensification rate to 60%, it reduces expansion needs by over 500 hectares.

Continuing to increase the intensification rate, however, will impact the Region's ability to accommodate forecasted growth and impact our ability to support a range and mix of housing while considering market demand. If the Region considered an intensification rate that supports a "no expansion scenario," it would mean that we would need to accommodate more intensification at a higher density within our built-up areas. This would direct additional growth pressure to established neighbourhoods where existing infrastructure is not sufficient and municipalities have received increased pressure to direct growth away from.

Staff's recommendation of directing 60% of growth to built-up areas and 40% of growth to the DGA will assist in achieving a balanced approach to growth management by addressing market demand and increasing housing choice and affordability.

2. Agricultural Land Supply and Food Security

Another key theme raised through correspondence is impact of proposed expansion areas on the loss of agricultural land.

The draft NOP is mapping the Region's Agricultural System. Through this work and based on Provincial mapping, the Region identified approximately 3,300 ha to be added to this system as prime agricultural lands.

There are very few potential expansion areas that are not located on prime agricultural land. The few that are, are difficult to service and did not meet the other criteria set out by the growth plan. When assessing expansion areas, impacts to the agricultural area were carefully considered. The Region considered soil quality and classification, the overall agricultural system (including the agri-food network) and the presence of existing livestock operations through minimum distance separation to ensure protection.

Food security was also considered as part of the SABR review. Agriculture is very important to Niagara and the Region is committed to preparing a Food Security Plan, as well as updating the 2015 Regional Agri-food Strategy, following the completion of the NOP.

3. Climate Change and Land Use Planning

Comments were received regarding the potential increase in greenhouse gas emissions resulting from the recommended settlement area boundary expansions, specifically as it relates to the loss of agriculture land, the impacts to natural environment features and areas, and additional infrastructure needed to support future development.

The Niagara Official Plan is an intensification first strategy. A major theme of the Official Plan is concentrating development in underutilized locations and redevelopment of brownfield sites. This type of development will support climate initiatives by improving watershed conditions within established communities.

Regarding boundary expansions, locations were determined following a comprehensive evaluation of a number of land use factors, including impacts to the Natural Environment System, watershed planning, and agriculture lands. This review was done with the understanding that, should the recommendations for expansion be adopted and approved, more detailed planning would follow, including updates to local Official Plans and the completion of secondary plans and sub-watershed plans. Implementation tools such as these would help to protect key natural features and identify opportunities to plan for communities in a sustainable and resilient manner, with the use of technology and built forms that contribute towards net-zero emissions targets and the establishment of future transit connections.

4. Natural Environment System

Concerns were raised regarding the protection of natural features in areas being considered for urban boundary expansions. Some comments indicated that there was a belief that if a natural feature was included in an area of expansion that it would lose its status and protection as a component of the natural environment system.

If a feature is added to an urban area it does not mean it will be removed for development. For example provincially significant wetlands, other wetlands, and significant woodland continue to be protected as a component of the Region's natural environment system whether or not they are in an urban area. Additionally, Secondary Planning for urban development will require subwatershed planning, which will further assess features and seek to improve overall health of the environment. For smaller scale developments an Environmental Impact Study will be required to ensure sustainable development. Official Plan policies, informed by Option 3C, go beyond Provincial standards to protect natural features, systems and linkages.

5. Affordable Housing

A number of questions and comments were submitted on the relationship between Settlement Area expansions and affordable housing. Housing studies, undertaken through the Official Plan review, demonstrate that Niagara must increase the supply of all housing types, especially medium and high density, to curb increasing housing costs.

The NOP directs 60% of new housing development to built-up areas requiring a significant shift in Niagara's historic housing mix predominately low density to higher density. Allocating the majority of housing growth to the built-up area is simply one of many factors that contribute towards supporting housing affordability. Other land use tools (such as Secondary Plans) and financial incentive tools further support housing affordability.

6. Making Efficient Use of Infrastructure

The Official Plan is focused on the utilization of existing infrastructure and alignment of future projects to growth forecasts were discussed. The NOP forecasts are key inputs into master servicing strategies at the Niagara Region, including the Water and Wastewater Master Servicing Plan and Transportation Master Plan. Growth forecasts and expansion recommendations are assessed through the Niagara 2051 program.

Ultimately, any improvements to infrastructure as a result of population and employment growth are identified and collected through Regional Development Charges.

Natural Environment System Consultation

Concurrent to the SABR consultation process, staff consulted the public and municipalities on the NES mapping and policies. Through this consultation process, updates to the NES were made based on local knowledge, more detailed studies, and active planning applications where an Environmental Impact Study is ongoing or had recently been completed. This included both additions and removals from the NES mapping.

The NES is a significant factor in calculating available land supply. The NES is one of few features that are categorized as a take out in the LNA. Therefore, changes to the NES has a direct impact on land need calculations. The NES is also a core component of the SABR assessment, as SABR considers the NES through the expansion review and looks to minimize impacts on the natural environment.

NES updates have resulted in a change in amount of developable land within municipalities and evaluation of a limited number of properties considered for boundary expansion.

Recommendations

This report presents preferred urban Settlement Area recommendations based on refinements to the assessment. Two revised boundary recommendations are provided in this report; one for Community Areas in Fort Erie and one for Employment Area in Welland. The remaining PDS 41-2021 recommendations remain unchanged. Staff have carefully considered all feedback received through both SABR and NES consultation processes.

Revisions have been made to the Urban Settlement Area Assessment Review, included as Appendix 4, to reflect supplemental information received from the Province, municipalities, land owners, developers and the public. A summary of changes to Settlement Area boundary expansions and/or the Land Needs Assessment are summarized by municipality below:

Town of Fort Erie

Three updates are proposed to the initial Fort Erie Settlement Area expansion recommendations.

Update 1: Removal of SABR 1511 (20 hectares)

Since December 2021, NES features and servicing constraints have been identified on the property identified as SABR 1151. Through the NES consultation process, environmental features have been identified on approximately half of the property. Additional water and wastewater servicing constraints have also been identified. Appendix 4 provides a revised assessment of the property.

Given the addition of environmental and servicing constraints, staff have determined that alternative locations within Fort Erie are better suited for Community Area expansion at this time.

Update 2: Addition of 171 Gorham Road (11 hectares)

Located on the west side of Ridgeway, 171 Gorham Road was reassessed for Community Area land needs. Further review indicates access to servicing on Gorham Road. Additionally, the site is located in the Ridgeway-Thunder Bay Neighbourhood area and this area has accounted for well over half of the Town's residential permits in the past decade and remains a strong market area. Absorption for the remaining DGA in draft and registered plans remains high. By including this site in the expansion area the supply of mid-term DGA to this market area is being addressed. This change reduces the potential for supply constraints while the master servicing strategy for the community and employment land north of Garrison can be finalized. The property at 171 Gorham Road is an appropriate alternative to fulfill the Community Area land needs of Fort Erie.

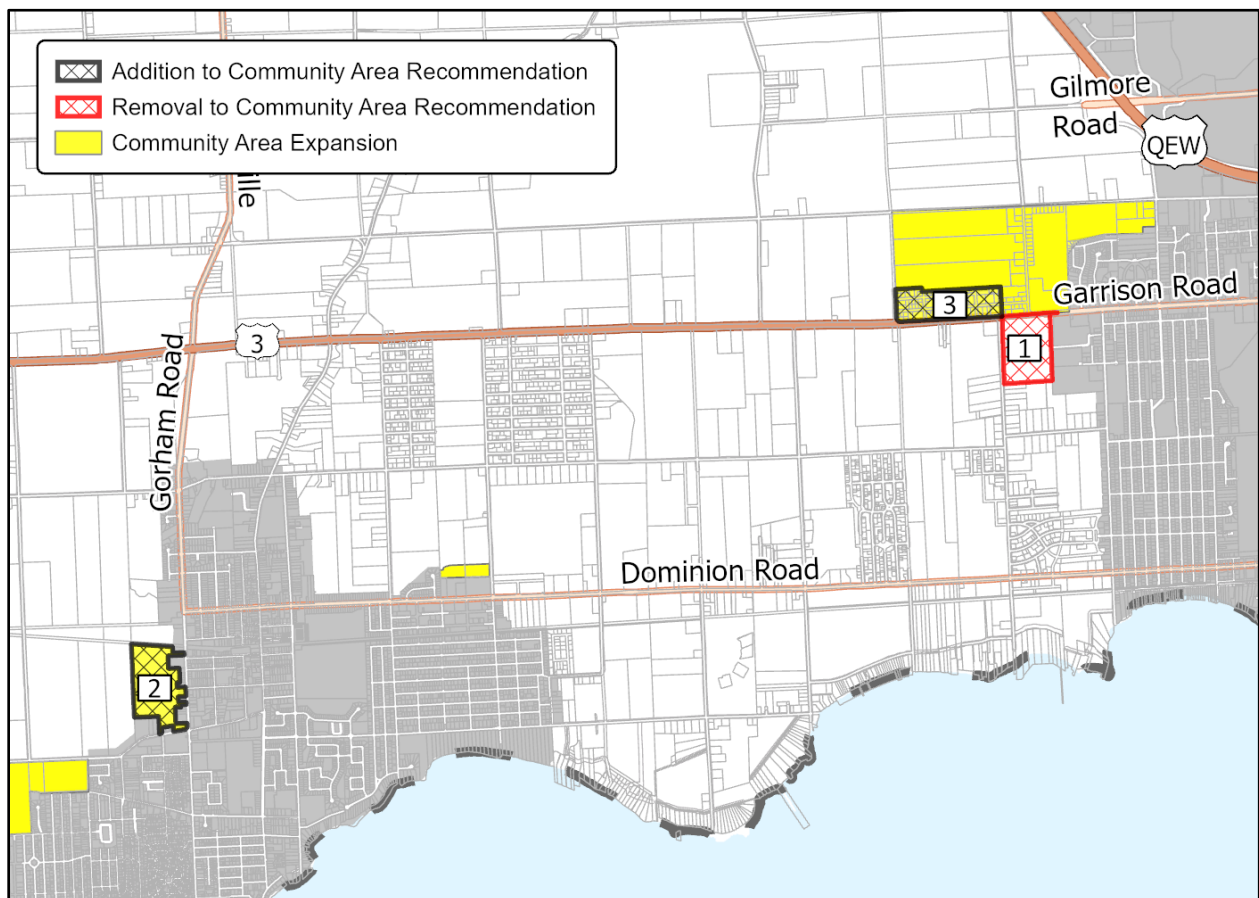
Update 3: Addition of lands north of Garrison Road, between Rosehill and Laur Road (19 hectares)

The properties to the north and east of the subject lands were previously recommended for Community Area in PDS 41-2021. This area includes a mix of existing homes and businesses on rural servicing, as well as some infill and redevelopment potential.

Numerous submissions were made requesting the remaining lands along Garrison Road be included in the expansion area as it provides for a more logical Settlement Area boundary, provides additional connections to the expansion lands to the north, and will see current residents connecting to wastewater services in the future.

The Fort Erie proper expansion area includes numerous developed areas, including over 300 people and jobs related to the existing homes, businesses and school within the area. The inclusion of existing people and jobs within the area offset the additional land being added to the Community Area. Figure 1 identifies updated Community Area expansion recommendations for Fort Erie.

Figure 1: Preferred Fort Erie Settlement Area Boundary Expansion Recommendation

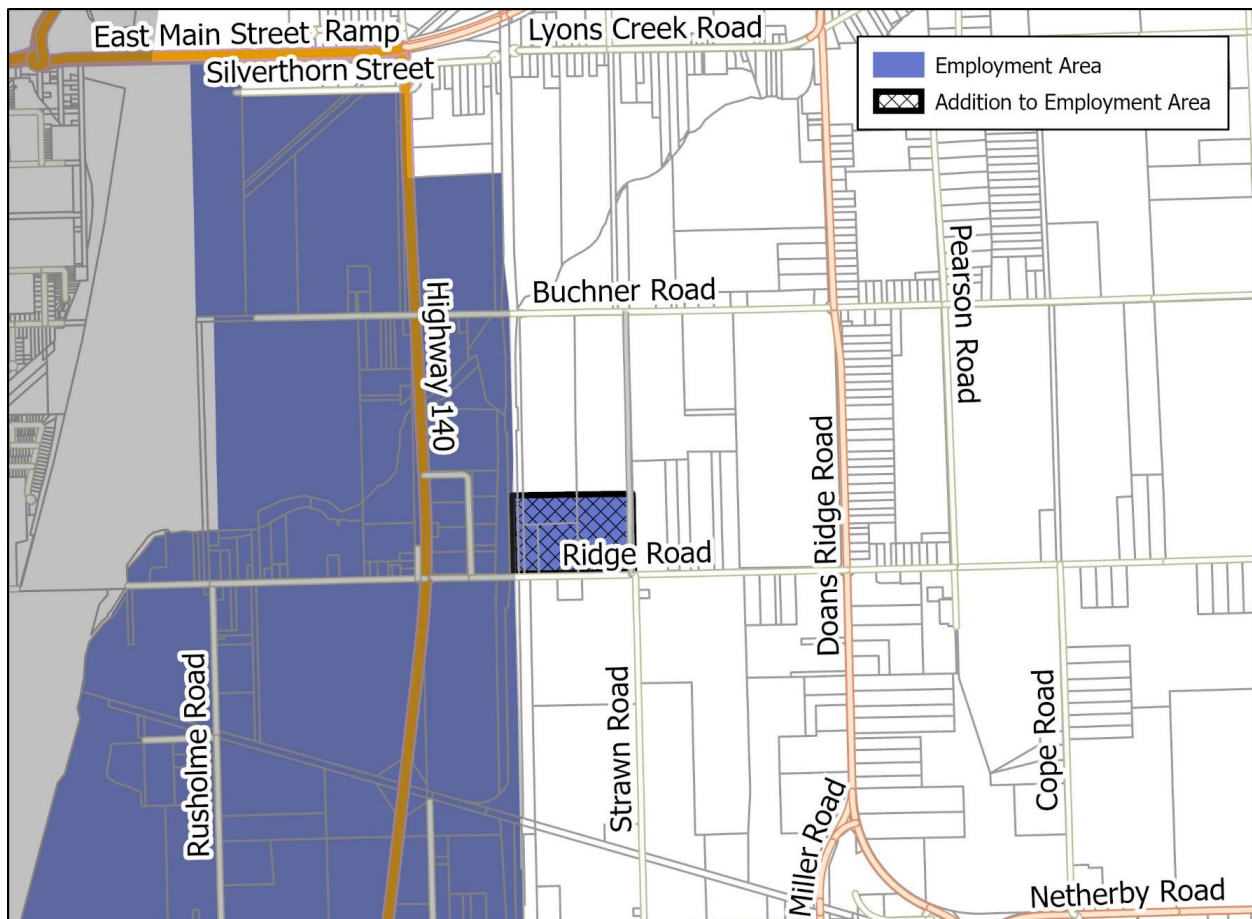


City of Welland

Update 4: Addition of Employment Area in Welland (15 hectares)

As identified in PDS 41-2021, Welland had an Employment Area land need of 45 hectares. No expansions were recommended in the previous report as consultation and discussion on the NES was ongoing with City staff at the time of the initial recommendation report drafting. Since December, staff at the Region and City have been collaborating on NES updates and identified numerous revisions to the NES, reducing Employment Area land need to 15 hectares. Future Employment Areas were identified in the Draft Niagara Official Plan, Appendix 2. A portion of these lands have been identified for inclusion in Welland's Employment Area to support growth to 2051. Figure 2 identifies new Employment Area lands in Welland.

Figure 2: New Employment Area lands in Welland.



City of Niagara Falls, Town of Pelham and Township of West Lincoln

The urban expansion areas recommended in Niagara Falls, Pelham and West Lincoln remain unchanged from PDS 41-2021.

While additional information was provided for a multiple properties in Niagara Falls (included in Appendix 3) staff continue to support the expansion areas previously identified in PDS 41-2021.

Preferred Settlement Area Boundary Recommendations

Appendix 1 identifies Settlement Area Boundaries recommendations for the Official Plan. It is the opinion of Regional staff that these boundaries best meet the objectives of the Niagara Official Plan, conform to A Place to Grow and Greenbelt Plan, and are consistent with the Provincial Policy Statement.

The Settlement Areas identified in Appendix 1 will be included in the draft Niagara Official Plan and presented at the Statutory Public Meeting.

Refinements to the Settlement Area Boundaries and the Land Needs Assessment will be considered through the remainder of the public process.

Alternatives Reviewed

Council could choose not to endorse the Settlement Area Boundary expansions. This is not recommended. By not supporting expansion areas, the Region will not conform to Provincial policies.

Relationship to Council Strategic Priorities

Settlement Area Boundary Expansion, as part of the Region's MCR and NOP are supported by the following Council Strategic Priorities:

- **Supporting Business and Economic Growth:** Through long range planning for the supply and retention of a broad range of community and employment lands that offer community related employment and industrial employment opportunities to attract and support economic wellbeing;
- **Healthy and Vibrant Community:** Through planning for safe, healthy neighbourhoods that are attractive, inclusive and connected, based on complete community principles and design;
- **Responsible Growth and Infrastructure Planning:** Through coordinated, efficient use of existing infrastructure and optimizing planned infrastructure that will service the communities of Niagara and facilitate movement of people and goods; and

- **Sustainable and Engaging Government:** Through planned growth that is fiscally sustainable and fosters strong, successful relationships between all levels of government in the supply of services and infrastructure.

Other Pertinent Reports

PDS 7-2022 Settlement Area Boundary Review – Updated Rural Recommendations

PDS 2-2022 Niagara Official Plan: Proposed Draft for Consultation

PDS 42-2021 Settlement Area Boundary Review – Rural Recommendations

PDS 41-2021 Settlement Area Boundary Review – Urban Recommendations

Prepared by:

Greg Bowie
Senior Planner
Planning and Development Services

Recommended by:

Michelle Sergi, MCIP, RPP
Commissioner
Planning and Development Services

Submitted by:

Ron Tripp, P.Eng.
Chief Administrative Officer

This report was prepared in consultation with Kirsten McCauley and Chris Millar, Senior Planners, and reviewed by Diana Morreale, Acting Director of Community and Long Range Planning.

Appendices

- Appendix 1 Map of Recommended Settlement Area Boundary Expansions
- Appendix 2 Settlement Area Boundary: Public Information Center Comments
and Responses
- Appendix 3 Settlement Area Boundary Comment Submission Responses
- Appendix 4 Settlement Area Boundary Comment Submissions (website only)
- Appendix 5 Urban Settlement Area Boundary Review: Revised Assessment
(website only)