
Subject: Development Applications Monitoring Report – 2021 Year End

Report to: Planning and Economic Development Committee

Report date: Wednesday, April 6, 2022

Recommendations

1. That this Report **BE RECEIVED** for information; and
2. That this Report **BE CIRCULATED** to the Local Area Municipalities, Niagara Peninsula Conservation Authority, Niagara Home Builders Association, Niagara Industrial Association, local Chambers of Commerce and School Boards.

Key Facts

- The purpose of this report is to inform Regional Council of 2021 development application activity in Niagara Region.
- Regional Development Planning and Engineering staff reviewed 826 development applications in 2021 (39% increase from 2020 application volumes).
- Regional Development Planning and Engineering staff provided comments for 848 pre-consultation meetings in 2021 (54% increase from 2020).
- The Region received \$1,794,233 in review fees for development applications in 2021 (33% increase from 2020 fees).
- The related 2021 End of Year Growth and 5 Year Growth Trend Report (Report PDS-9-2022) provides information on growth in Niagara in 2021. Development application volumes typically equate to an increase in housing starts, completions, and building permits in later years. Accordingly, it is anticipated that the increased development application volumes experienced in 2021 will impact growth trends in the future.

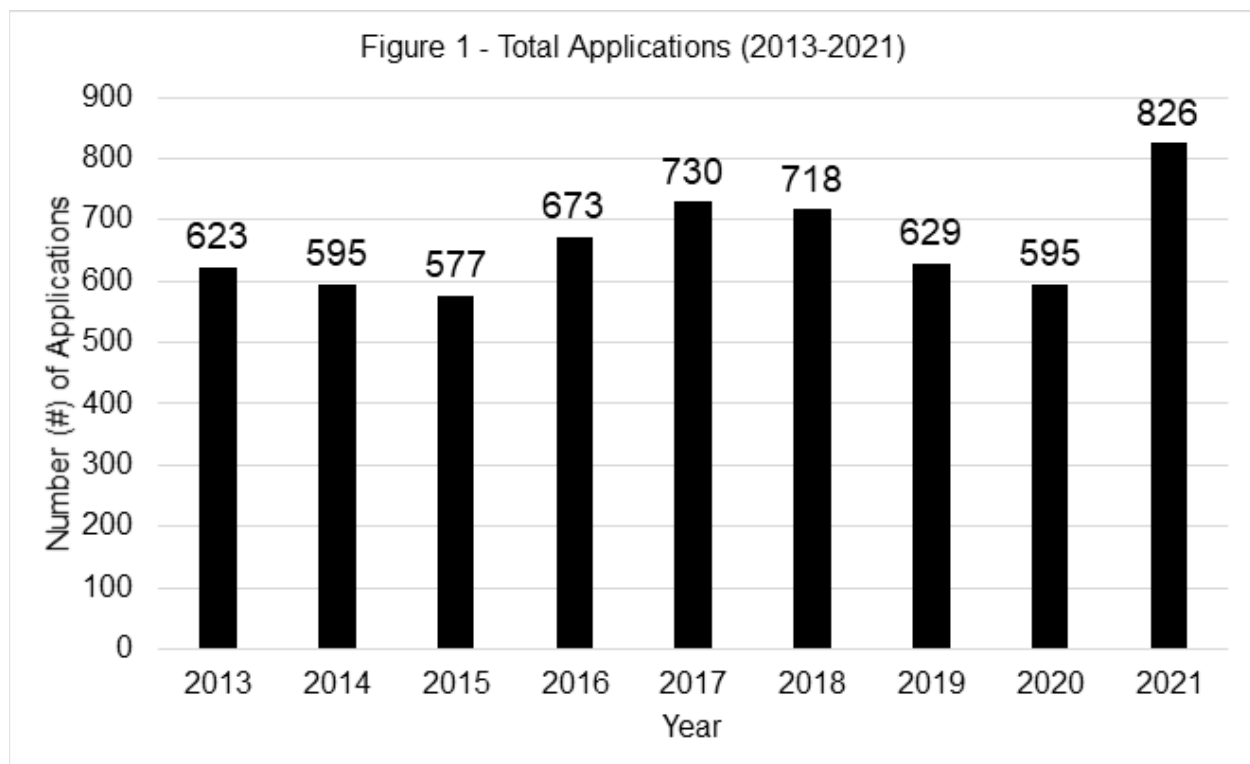
Financial Considerations

There are no direct financial implications associated with this report.

Analysis

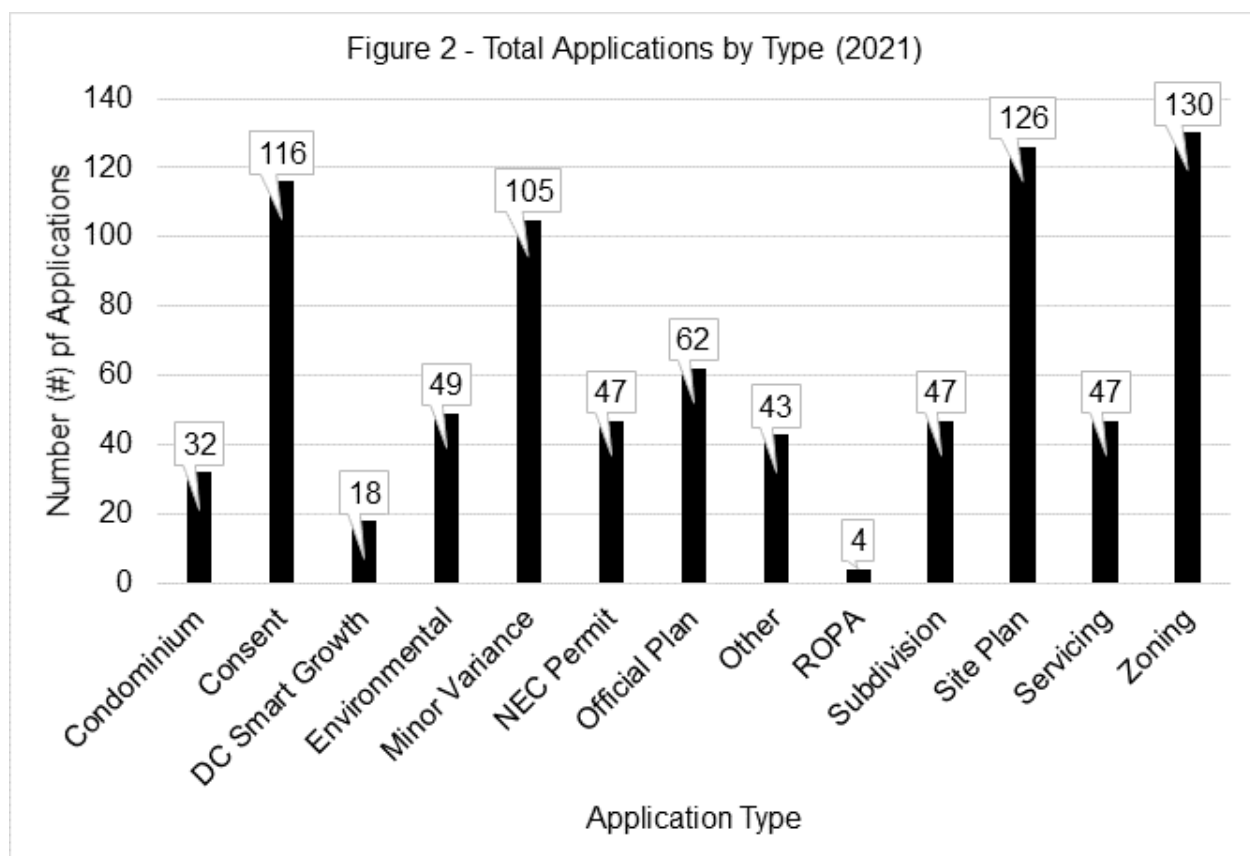
Development Applications

Regional Development Services staff reviewed 826 development applications in 2021, representing a 39% increase from 595 applications reviewed in 2020. Figure 1 illustrates the number of applications considered by Development Planning and Engineering staff from 2013 to 2021. Development applications are circulated to the Region based on Provincial legislation requirements, including the Niagara Escarpment Commission legislation, and the existing 2019 Memorandum of Understanding (MOU) between the Region and Local Area Municipalities for planning in Niagara. Development Services has the ability to waive its review function on certain types of minor development applications in local municipalities. This represents an effort to increase efficiency in the planning review function in Niagara.



Lower volumes in 2020 were attributable to the beginning of the COVID-19 pandemic, as a result of a short pause in the processing of development applications while municipalities adjusted to working remotely and holding virtual meetings. 2021 volumes rebounded significantly and were greater than those experienced in any year since 2013, representing a 13% increase from the previous peak of 730 applications in 2017.

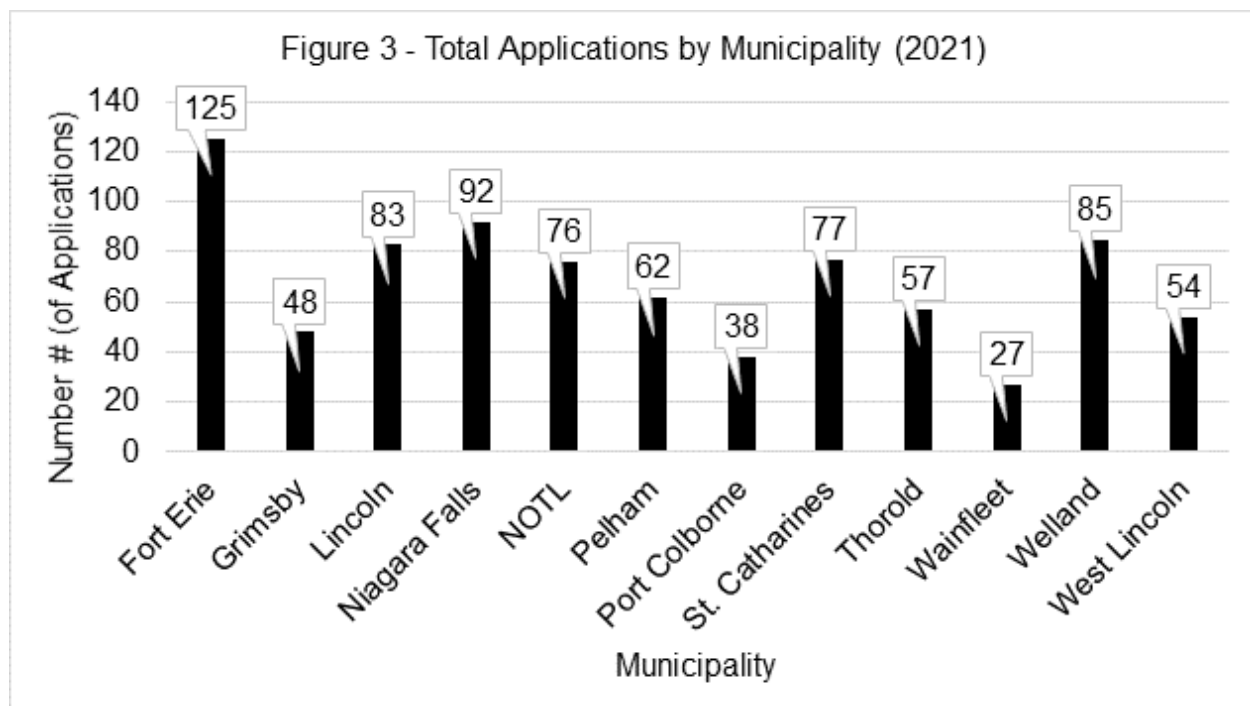
Figure 2 below provides the breakdown of development applications, by type, reviewed by Regional staff in 2021. Some complex development proposals often require multiple planning approvals. As an example, subdivision and condominium applications may also need amendments to the municipal Official Plan and/or Zoning By-law to facilitate the development. The categories with the most applications considered by Regional staff in 2021 were Zoning By-law Amendment (130), followed closely by Site Plan (126), Consent (i.e. severances) (116), and Minor Variance (105).



The distribution of applications circulated to the Region by municipality during 2021 is shown on Figure 3. Municipalities with the most applications received by the Region were Fort Erie (125), Niagara Falls (92), Welland (85), and Lincoln (83). Nearly every

municipality (with the exception of Niagara Falls) experienced an increase in applications considered from 2020 to 2021.

Regional staff were also involved in reviewing several complex development applications in 2021, as highlighted in Appendix 1 of this report. This often requires review that is more extensive as these applications typically affect a broad range of issues (i.e. environmental impacts, traffic impacts and urban design considerations, etc.). For several of these applications, Regional staff also assisted with urban design peer review, at the request of local municipal staff, as well as preparing design alternatives and contributing to discussions with developers, most notably through the participation in several design charrettes aimed at improving design outcomes.



Pre-consultation Meetings

Development Planning and Engineering staff attend regular pre-consultation meeting sessions two days each month in each local municipality. These meetings are to determine complete application submission requirements and assist in the processing of applications. The COVID-19 pandemic required planning staff at the Region and the local municipalities to adapt to an online meeting format starting in April 2020. Developers, property owners, local staff and agencies were able to participate effectively in these virtual pre-consultation meetings. The use of virtual pre-consultation

meetings has been well received by development proponents and their consultants as it affords efficiency and time savings, such as the ability to attend “back to back” pre-consultation meetings in different municipalities without the need to travel.

Figure 4 illustrates the number of pre-consultation meetings attended by Development Planning and Engineering staff from 2013 to 2021. In 2021, Regional staff attended 848 pre-consultation meetings, which is a 54% increase from the 2020 total (552), and a 37% increase from the previous yearly high from 2017 (622). The number of pre-consultation meetings is generally an indicator of anticipated future development application volumes; accordingly, staff expect development application activity to remain high in 2022.

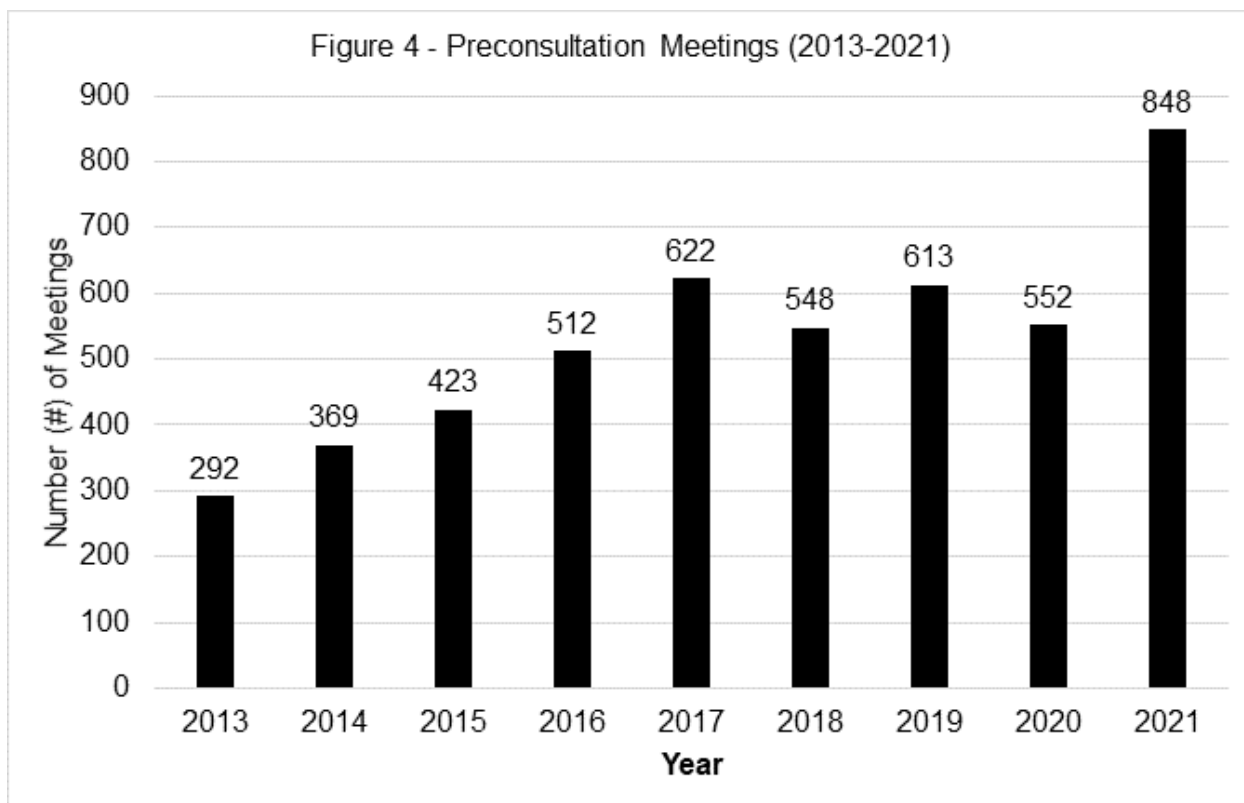
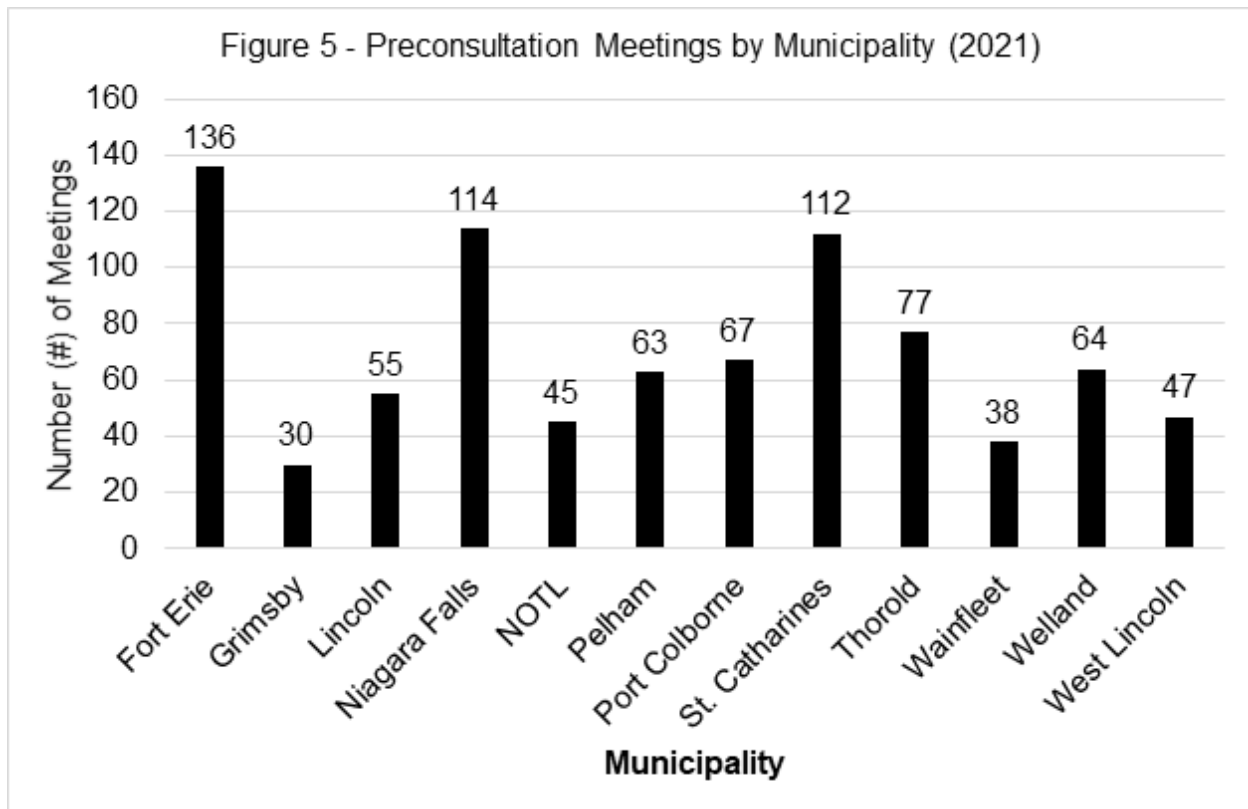
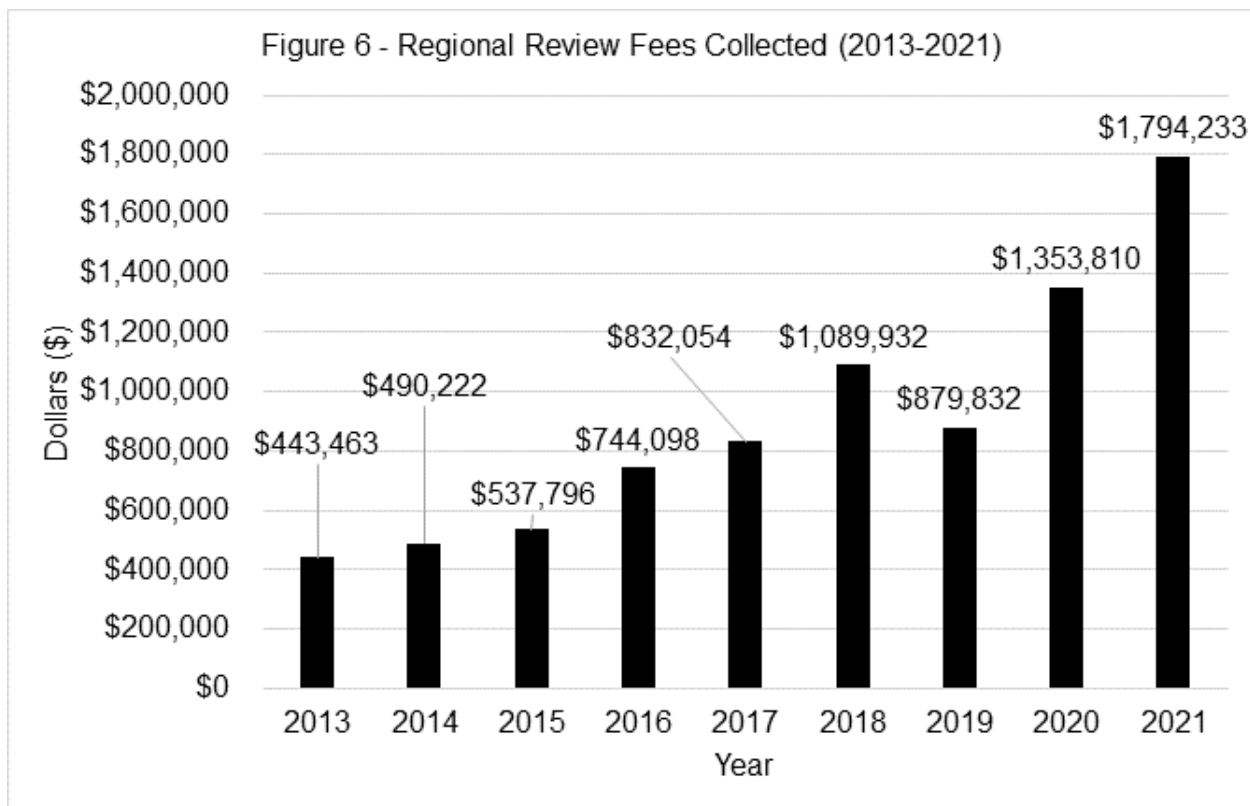


Figure 5 illustrates the number of pre-consultation meeting by municipality in 2021 that included Regional staff. The municipalities with the highest levels of pre-consultation activity were Fort Erie (136) and Niagara Falls (114), followed by St. Catharines (112), Thorold (77), and Port Colborne (67).



Regional Review Fees

Regional review fees are intended to offset Regional costs for the development review service. Figure 6 summarizes the fees collected between 2013 and 2021 for the Regional review of development applications. The 2021 total of \$1,794,233 represents a 33% increase from 2020. This relates to the increased number of development applications received between 2020 and 2021, as well as the large number of complex applications received (i.e. Regional Official Plan Amendment, Zoning By-law Amendment and Site Plan), which generally have higher review fees. As the total volume of development applications is expected to remain high in 2022, development review fees are also expected to remain high.



The increased fees are also due in part to the receipt of a Regional Official Plan Amendment (ROPA) application in November 2021 for a new quarry in Niagara Falls (Upper's Quarry). The Region is also currently processing the ROPA application for the proposed expansion of the Port Colborne Quarry (Pit 3), and has held a pre-consultation meeting for the proposed expansion of another quarry, which is expected to proceed in 2022. In addition, staff anticipate potentially receiving a further ROPA application in 2022 for an expansion of another existing quarry based on correspondence from the quarry operator. Quarry applications are the most complex, and are very time intensive to process, with many technical studies that often require peer reviews to assist staff in areas in which the department does not have in-house expertise. The application fees approved by Regional Council reflect the complexity and staff resources involved in reviewing quarry applications. As a best practice, the Region, with the participation of the affected local area municipality and the Niagara Peninsula Conservation Authority, has implemented a Joint Agency Review Team (JART) to share resources, including a single peer reviewer for each technical study, in order to maximize efficiencies.

2022 Outlook

Staff anticipate development application volumes will remain high in 2022, as trends in the fourth quarter of 2021 showed an increase in applications by 29% compared to the fourth quarter of 2020. Additionally, as noted previously, staff consider the high number of pre-consultation meetings attended by Regional staff in 2021 to be an indicator of a high volume of development applications in the future.

The increased level of development in recent years represents a ‘new normal’ for the Region. Regional Development Services has adjusted its approach and practices to be solution-oriented and proactive in response to these increased development volumes. By providing ongoing support to our local municipalities, the Region strives to realize complete community planning outcomes that encourage the best possible development throughout the Region. This includes the urban design function within Development Planning, which serves to elevate the quality of development within Niagara through both the review of development applications, as well as providing support to local municipal planning teams in approaches and programs aimed at achieving well-designed built environments.

In addition, at a policy level, the Planning and Development Services Department partners with local area municipalities in undertaking district and secondary planning to proactively establish integrated land use planning policies that provides direction for the development of complete communities, and facilitates the receipt of future development applications which achieve Regional and local municipal Council goals and desired development outcomes.

Alternatives Reviewed

As this report is for information purposes, there are no alternatives reviewed.

Relationship to Council Strategic Priorities

This report provides information on development application activity that contributes to strong economic prosperity throughout the communities within the Niagara Region. This relates to Council’s Strategic Priority of Supporting Business and Economic Growth, as well as Sustainable and Engaging Government through ensuring high quality, efficient and coordinated core services.

Other Pertinent Reports

- PDS-24-2021 Development Applications Monitoring Report – 2020 Year End

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Appendices

Appendix 1 Current Major Development Applications