

Mailing Address: P.O. Box 344 Thorold ON L2V 3Z3

Street Address: Campbell East 1815 Sir Isaac Brock Way Thorold ON Phone:905-682-9201Toll Free:1-800-232-3292(from Grimsby and beyond Niagara region only)

 Main Fax:
 905-687-4844

 Fax – Applications:
 905-935-0476

 Fax – Contractors:
 905-682-8301

 Web site:
 www.nrh.ca

May 2, 2025

Ann-Marie Norio, Regional Clerk Niagara Region 1815 Sir Isaac Brock Way Thorold, ON L2V 4T7

Dear Ms. Norio,

At their April 25, 2025 meeting, the Niagara Regional Housing Board of Directors passed the following motion as recommended in attached report NRH 3-2025:

### Recommendations

Staff Recommend that the Board of Directors APPROVE the following:

- That provided the Chief Executive Officer and Chair of the Board of Directors determine that Niagara Regional Housing is hereby authorized to enter into all such agreements as may be necessary to acquire, in the name of Niagara Regional Housing, at no cost, 184 Denistoun Street, Welland (Part 2 in Reference Plan 59R-17992), to be used for the purposes of a Community Housing Development Project and the Chief Executive Officer is authorized to execute all such agreements.
- 2. That the Report **BE FORWARDED** to Niagara Region Public Health and Social Services Committee for information at the May 6, 2025, meeting.
- 3. That the Report **BE FORWARDED** to Niagara Region Corporate Services Committee for information at the May 7, 2025, meeting.

Your assistance is requested in moving report NRH 3-2025 through proper channels to PHSSC on May 6, 2025 and Corporate Services Committee on May 7, 2025 for information.

Sincerely,

Councillor Mat Siscoe Chair



Subject: Acquisition of Property – 184 Denistoun Street, WellandReport to: Niagara Regional Housing Board of DirectorsReport date: Friday, April 25, 2025

#### Recommendations

Staff Recommend that the Board of Directors **APPROVE** the following:

- That provided the Chief Executive Officer and Chair of the Board of Directors determine that Niagara Regional Housing is hereby authorized to enter into all such agreements as may be necessary to acquire, in the name of Niagara Regional Housing, at no cost, 184 Denistoun Street, Welland (Part 2 in Reference Plan 59R-17992), to be used for the purposes of a Community Housing Development Project and the Chief Executive Officer is authorized to execute all such agreements.
- 2. That the Report **BE FORWARDED** to Niagara Region Public Health and Social Services Committee for information at the May 6, 2025, meeting.
- 3. That the Report **BE FORWARDED** to Niagara Region Corporate Services Committee for information at the May 7, 2025, meeting.

#### **Key Facts**

- 184 Denistoun Street is a 0.96 acre (0.39 ha) parcel of land owned by the City of Welland and is identified as a candidate site for the development of affordable housing as guided thru Niagara Regional Housing's *Consolidated Housing Master Plan, 2022* and subsequent *Consolidated Housing Master Plan: Implementation Plan* (pending approval).
- The site was deemed surplus by the City of Welland in 2024 and was approved for transfer to NRH by the City at no cost during its February 18, 2025, Council meeting (City report attached as Appendix 1).
- Niagara Region staff and City of Welland staff have collaborated closely on a conceptual site and building design that envisions a 6-storey affordable rental apartment building consisting of 78 units that offers a mix of bachelor, onebedroom, two-bedroom, and three-bedrooms.
- The site was historically used as a park and open space, and prior thereto, a surface parking lot related to neighbouring industrial uses and is known to be impacted by contaminating on- and off-site activities that will require the

completion of environmental site assessment work to file for a Record of Site Condition.

• Niagara Region staff and City of Welland staff will be working together to prepare an agreement on the conditions of land transfer for the purpose of future affordable housing development.

### **Financial Considerations**

The City of Welland will transfer ownership of 184 Denistoun Street to Niagara Regional Housing (NRH) at no cost. The affordable housing project planned for the site is not currently included in NRH's approved capital budget for 2025. A high-level financial strategy will be provided to Regional Council at a future date as the site approaches a state of shovel-readiness. A more detailed plan will be developed and presented to the Board for amendment to 2026, 2027 and/or 2028 capital budgets as needed once the cost and timing expectations on matters relating to site preparation, due diligence, design, and construction become known.

## Analysis

### Context and Envisioned Development

The lands located at 184 Denistoun Street are currently owned by the City of Welland and were formerly used as a city park (Hooker Street Park) and a surface parking lot related to an abutting former industrial use. The property is currently vacant and comprised of manicured grass with presence of a mature tree line along the northerly property line. The site features relatively flat grading and has few encumbrances that would limit its development potential. The land represents a favourable opportunity to accommodate future affordable housing development, which is aligned with NRH's *Consolidated Housing Master Plan: Implementation Plan* (Implementation Plan).

The future development of this site will result in the creation of net new affordable housing units that are owned and operated by NRH. All units would provide quality affordable housing on a rent-geared-to-income basis at 30% of gross annual household income before tax. The site features many desirable aspects that are sought after in a complete community concept, including advantageous proximity to variety of amenities and transportation options, as well as a favourable size and lot fabric for an affordable housing concept.

NRH staff and City staff have worked together to create a conceptual site plan and building design (Appendix 2) to illustrate the potential development of this site as a 6-storey apartment building consisting of 78 community housing units that offer mix of

bachelor, one-bedroom, two-bedroom, and three-bedroom units. The envisioned development will play an important role in NRH's ability to create new affordable housing units on other sites in Welland. For example, the redevelopment of other existing NRH sites in Welland will result in the temporary displacement of the tenants that currently reside within them. Once completed, the newly constructed units located at 184 Denistoun Street can be used to rehouse any tenants that are displaced through NRH's future redevelopment initiatives until the time that these projects are complete. An ideal scenario is that any displaced tenants will be temporarily relocated close to their existing community to minimize impacts/disruption to their lifestyle and daily routines (i.e., schooling, jobs, family, support amenities, transportation, etc.). The 184 Denistoun Street site is centrally located within the city and is close to a variety of established transit options and community amenities.

### Primary Access

A challenge with the site is its limited frontage along Denistoun Street which reduces the ability to efficiently locate the driveway and parking aisles in a configuration that optimizes site use. The conceptual site and building design mitigate this challenge by locating the primary driveway access off-site within the abutting unopened Edward Street road allowance. This modified primary access location vastly improves the development potential of the site through optimizing the space that can be dedicated to building envelope, surface parking and aisles, and the technical needs for waste collection and emergency vehicle movement requirements.

The City of Welland has authorized for an easement be granted to NRH over a portion of the unopened Edward Street road allowance for the primary driveway access that will be addressed through the land transfer agreement process.

### Site Condition

Based on the known historic uses of the site and surrounding area, the City of Welland retained Niagara Soil Solutions Ltd. to complete a "*Phase One Environmental Site Assessment (ESA)*", dated December 3, 2024. The Phase One ESA investigation identified a total of seven on- and off-site potentially contaminating activities that resulted in three areas of potential environmental concern (APEC) on the property that could impact soil and groundwater qualities. These APECs are:

- APEC 1: de-icing activities from the site's past use as a surface parking lot.
- APEC 2: importation of fill materials of unknown quality.
- APEC 3: proximity to a former rail track/spur related to an industrial use.

As such, the Phase One ESA requires the undertaking of a Phase Two ESA in adherence to Ontario Regulation 153/04, as amended. NRH will endeavour to undertake the Phase Two ESA work upon the successful transfer of the site to NRH by the City of Welland. It is also NRH's intent to utilize the City of Welland's Brownfield Community Improvement Plan suite, as approved by City Council on February 18, 2025, to support efforts in completing this required work to file for Record of Site Condition.

### **Alternatives Reviewed**

If the transfer of 184 Denistoun Street from the City of Welland is not approved, then NRH will have to remove this project from its portfolio. The removal of this project would impact the timing and expectations of other subsequent redevelopment projects within the NRH portfolio – particularly those identified within its same development group. This is approach is not recommended as it would harm the certainty and predictability of queued redevelopment projects, as well as would compromise the unit delivery and capital need forecasts as set out in the Implementation Plan.

### **Relationship to Board and Council Strategic Priorities**

This initiative is linked to NRH's 2023-2027 Strategic Plan through Strategic Priority 1.0 Building homes and Goal 1.1 to increase the number of affordable housing units across Niagara in alignment with the goals of the Housing Master Plan.

This initiative is directly linked to the Consolidated Housing Master Plan which is a listed action under Niagara Regional Council's 'Equitable Region' pillar to achieve Objective 3.3 which seeks to improve access to affordable and attainable housing in Niagara. The contribution of Regional investment towards the Implementation Plan is an effective action that will provide individuals and families with access to safe, stable, and affordable place to live.

**Submitted by:** Cameron Banach Chief Executive Officer, NRH

**Approved by:** Mat Siscoe Chair, NRH

This report was prepared by Cameron Banach, Director Housing Services / CEO of NRH, in consultation with Alexander Morrison, Development Industry and Housing Consultant, Jeff Davis, Housing Development and Project Manager and Sara Mota, Program Financial Specialist.

Appendices:

Appendix 1: City of Welland Staff Report (PB-2024-30, dated February 18, 2025) Appendix 2: Niagara Region Housing – Conceptual Site Plan and Building Design – 184 Denistoun Street, Welland



#### FROM THE OFFICE OF THE CITY CLERK

RESOLUTION NO: 2025 - 36

REFERENCE NO. 21-30

February 27, 2025

Dear Sir or Madam:

Welland City Council passed the following motion

on

#### February 18, 2025

"THAT COUNCIL OF THE CITY OF WELLAND approves a portion of lands municipally known as, 184 Denistoun Street identified as Part 2 in Reference Plan 59R-17992 to be conveyed, at no cost, to Niagara Regional Housing. The purpose is to facilitate the construction of a 78 unit Affordable Housing Development; and further

THAT Welland City Council allows for Niagara Regional Housing to apply for incentives under the Brownfield CIP to support the proposed project; and further

THAT Welland City Council authorizes an easement over a portion of the Edward Street unopened road allowance."

TS:bl

<ul> <li>G. Munday, Director of Planning &amp; Development Services</li> <li>c.c M. Greenlee, Manager of Planning Services</li> <li>- N. Aiello, Manager of Policy Planning</li> <li>- A. Vuksan Scott, Manager of Budgets &amp; Financial Service/Deputy Treasurer</li> <li>- Legal Division</li> </ul>	i

From

City Cler

# COUNCIL MEETING PLANNING AND DEVELOPMENT SERVICES

REPORT PB-2024-30 February 18, 2025

SUBJECT:	184 Denistoun Street – Proposed Niagara Regional Housing Project
AUTHOR:	Nicolas Aiello, HBA, MCIP, RPP Policy Planning Manager
APPROVING	Michael Greenlee, MCIP, RPP
MANAGER:	Manager Of Planning
APPROVING	Grant Munday, B.A.A., MCIP, RPP
DIRECTOR:	Director Development And Building Services

### **RECOMMENDATION:**

THAT COUNCIL OF THE CITY OF WELLAND approves a portion of lands municipally known as, 184 Denistoun Street identified as Part 2 in Reference Plan 59R-17992 to be conveyed, at no cost, to Niagara Regional Housing. The purpose is to facilitate the construction of a 78 unit Affordable Housing Development; and further

THAT Welland City Council allow for Niagara Regional Housing to apply for incentives under the Brownfield CIP to support the proposed project; and further,

THAT Welland City Council authorizes an easement over a portion of the Edward Street unopened road allowance.

### RELATIONSHIP TO STRATEGIC PLAN

This recommendation is aligned to Council's strategic priority of ensuring "**Liveability**" by creating a sense of belonging while enhancing mobility by improving access to recreation and community events, ensuring adequate housing options, encouraging job growth, and improving ways to efficiently move people throughout the city.

The City's <u>Housing Needs Assessment & Environmental Scan</u> and <u>Affordable</u> <u>Rental Housing Community Improvement Plan (CIP)</u> have identified that there is high demand for purpose built rental housing that is provided at an affordable rate. Should Council approve the recommendations of this report, the City will be supporting the need for this housing type by providing serviced land and funding its development and support programs. Subject to the findings of environmental studies, this project may also be considered a brownfield redevelopment.

### **EXECUTIVE SUMMARY:**

In January 2024, Council declared a portion of 184 Denistoun Street as surplus. The Affordable Housing Advisory Committee passed a motion recommending Council convey 184 Denistoun Street at no cost to Niagara Regional Housing for the construction of a seventy-eight (78) unit affordable housing development. Given the site's industrial past, Staff are also recommending that an application be made for the City's Brownfield CIP Incentives.

This report is presented in response to the Affordable Housing Advisory Committee's motion that took place on November 7, 2024 and Niagara Regional Housing's presentation that took place on December 10, 2024.

City Staff recommend conveying the subject portion of 184 Denistoun Street at no cost to Niagara Regional Housing for the construction of the planned affordable housing development.

### BACKGROUND:

On January 9, 2024, Welland Council approved the recommendations of Report P&B-2023-60:

THAT THE COUNCIL OF THE CITY OF WELLAND declares surplus to the City's needs, lands on the east side of Denistoun Street, south of Hooker Street, shown in Report P&B-2023-60;

THAT Welland City Council reserves the sale or lease of these lands for an affordable housing project subject to Council approval.

On November 7, 2024, the Affordable Housing Advisory Committee received a presentation from Niagara Regional Housing with regards to the proposed development of a (seventy-eight) 78 unit affordable housing development on a municipally owned surplus property known as 184 Denistoun Street. The Committee passed the following motion recommending for Council to convey the subject lands to Niagara Regional Housing.

THAT COUNCIL OF THE CITY OF WELLAND approve the provision of the property municipally known as 184 Denistoun Street to Niagara Regional Housing at no cost for the construction of at least 78 affordable housing units.

On December 10, 2024, Welland Council referred Staff Report PB-2024-30 with direction for staff to consider for the following matters:

- Reconfigure the proposed access to the Site from Edward Street to Denistoun Street;
- Provide the property to Niagara Regional Housing through a long-term nominal land lease rather than conveyance;
- Provide information regarding the cost to reconfigure the Hooker Street Park soccer field;

#### **DISCUSSION:**

#### Site

The subject parcel, identified as Part 2 in Reference Plan 59R-17992 (Appendix I) is approximately 0.39 hectares. The lands are located south of an Edward Street unopened road allowance, adjacent Hooker Steet Park; and, north of four (4) multi-storey residential apartment buildings.

The lands were identified in the Affordable Housing Site Evaluations and Environmental Scan which listed lands in the City that have the potential for the development of affordable housing.

The subject parcel is currently vacant. It was previously used as a parking lot for Newman Steel, a former large industrial facility. As such, environmental site assessments are needed to determine whether soil or groundwater contamination is present and remediation is required to achieve a Record of Site Condition (RSC).

#### Zoning

The site is zoned Community Open Space. However, Section 5.30 a) of Zoning By-law 2017-117, as amended provides that Niagara Region, among other government bodies and public agencies is not be prevented from the use of any land including the erection of buildings or structures as a public use.

#### Proposal: Design and Model

Niagara Regional Housing is proposing to construct, hold and operate a seventyeight (78) unit affordable housing development at 184 Denistoun Street.

The residential building is planned to be six (6) storeys in height, consisting of five (5) bachelor units, forty-one (41) one-bedroom units, twenty-six (26) twobedroom units, and six (6) three-bedroom units. The building will also contain: a common room, offices, laundry facility, serving area, and scooter storage on the ground floor. A total of sixty-two (62) parking spaces are proposed on-site.

A three (3) metre wide portion of land located along the eastern boundary of the site (Part 1 of Plan 59R-17992 in Appendix I) is to be retained by the City to accommodate a recreational pathway providing access from the Recreational Waterway to Edward Street and adjacent Hooker Street Park.

A modified primary access is now proposed from Denistoun Street that immediately abuts the southerly lot line of the unopened Edward Street road allowance. Regional Staff advise that the primary driveway access is required to be located on the unopened road allowance lands to provide sufficient turning radii for waste collection and emergency vehicle movements.

A fence/screen along the length of the proposed building footprint (southerly lot line of 184 Denistoun Street) has been included to improve the privacy for ground floor units abutting that elevation.

Proposed rents for the units are as follows:

- bachelor units (estimated rent rate of \$456/month)
- one-bedroom units (estimated rent rate of \$456/month)
- two-bedroom units (estimated rent rate of \$731/month)
- three-bedroom units (estimated rent rate of \$731/month)

A concept plan for the proposed development is shown in Appendix II.

#### Hooker Street Park Impacts

The proposed new primary access will encroach further into Hooker Street Park, primarily affecting the southern portion of the park's soccer field (southern goal posts). Community Services staff has confirmed that reducing or removing the soccer field can be considered as it is only passively used and not rentable.

The current soccer field dimensions are smaller than regulation size. As such, moving the southern goal post northward or re-adjusting the field with an east-west orientation would not have a significant impact to the field's use. The cost associated with moving both the existing north and south goal posts is approximately \$10,000.00 (subject to condition).

Based on feedback received during the *Love My Park* engagement session hosted in August of 2023, Community Services staff have identified that Hooker Street Park needs more shade in the form of a pavilion, additional trees and outdoor games.

The proposed new access may result in the removal of trees along the perimeter of the park. Replacement of the existing trees will be at the expense of the Region. New trees are proposed to be planted in the park as well as on the subject lands. More detailed plans for tree replacement will be determined at the site plan stage.

#### Long-Term Land Lease

Regional Staff do not support constructing this development with a long-term land lease.

Staff note that since the subject property will be provided to another level of government (Niagara Region), there is sufficient assurance that the lands will be maintained for affordable housing. A land lease may be more appropriate in circumstances where the City provides land to a private developer or non-government not-for-profit.

Accordingly, City Staff are recommending the transfer of 184 Denistoun Street through land conveyance.

#### **Community Improvement Plan Incentives**

Upon conveyance of the subject lands, Niagara Regional Housing will be eligible to apply for the incentives provided by the recently adopted Affordable Housing Community Improvement Plan (CIP).

Staff are recommending that Niagara Regional Housing be permitted to apply for the Brownfield CIP incentive programs given the site's former industrial use. The Brownfield CIP currently restricts other government organizations from applying for any of the incentives. As such, Council approval of this report is required in order to permit a CIP Application from Niagara Regional Housing to be made. Eligible incentives under a Brownfield CIP would include:

- Environmental Study Grant
- Brownfield Tax Assistance Grant (if remediation is required)
- Brownfield Tax Increment Grant (if remediation is required)
- Brownfield Fees Grant (planning and building fees)

For more information regarding the Affordable Rental Housing and Brownfield CIP Incentives – Please refer to the following web link: https://madeinwelland.ca/Incentives/CIPs.asp

#### FINANCIAL:

The financial implications associated with the recommendations of this report include nominal legal fees associated with conveyance and registration of the land to Niagara Regional Housing.

The costs associated with the CIP Incentives will be related to project construction, remediation (if required), planning and building permit fees; and, the increase in assessment/taxes to form the tax increment grant.

Should Niagara Regional Housing apply for the incentives, Council will review the estimated grant costs in a staff CIP update memo.

### ATTACHMENT:

Appendix I	-	Reference Plan - 59R-17992
Appendix II	-	184 Denistoun Street – Proposed Site Plan









