
Subject: Growth Management Program Update for New Official Plan

Report to: Planning and Economic Development Committee

Report date: Wednesday, September 11, 2019

Recommendations

1. That Report PDS 33-2019 **BE RECEIVED** for information; and
2. That Report PDS 33-2019 **BE CIRCULATED** to the Local Area Municipalities and Ministry of Municipal Affairs and Housing.

Key Facts

- This Report provides an update on the status of the Growth Management Program (GMP) for the new Regional Official Plan. No specific approvals are sought at this time.
- The last GMP update was provided to the previous Council through PDS 21-2018.
- In PDS 21-2018, Council was informed of interrelated background studies (Urban Structure, Employment Strategy, and Housing Strategy) to inform the Regional land needs assessment and the local municipal growth allocations.
- Since then, the Province amended the *Planning Act*, released a new *Growth Plan*, and proposes changes to the Provincial Policy Statement. The Region has modified its GMP to reflect this new Provincial direction, but has maintained the same core program of completing the above-noted studies for the new Official Plan.
- The attached report, Growing Region – Summer 2019 Status Report, sets out the work performed to date on these studies.
- Most of the information identified in this Report and the attached Status Report has been shared in meetings with local planning staff and, separately, with local Councils as part of the Region's Official Plan presentations in Spring 2019.
- The Region is hosting four Official Plan open houses in November 2019. Key information in the Status Report will be shared at those open houses.

Financial Considerations

The studies set out in this Report are critical to the development of the new Regional Official Plan. Costs associated with the GMP can be accommodated within the Council approved Regional Official Plan project budget.

Analysis

Background: Niagara 2041 Growth Strategy

Growth must be proactively planned, strategically positioned and actively managed to create exceptional communities and positive market conditions for a competitive Region.

In 2015, the Niagara 2041 Growth Strategy was endorsed by Regional Council. It outlined the components of the Municipal Comprehensive Review, Transportation Master Plan and Water/Wastewater Master Servicing Plan – a coordinated response to plan for Niagara’s forecasted growth based on integrated land use planning and infrastructure investments (see PDS 34-2015).

Niagara 2041 provides an urban vision that positions Niagara competitively in the Greater Toronto/Hamilton Area by supporting communities that optimize current and future infrastructure investment. These communities would be efficient and sustainable in terms of compactness, transit supportiveness and energy use.

Current Growth Management Program

The GMP must implement Provincial policies, including those of the revised *Growth Plan for the Greater Golden Horseshoe, 2019* (Growth Plan).

The Growth Plan forecasts that Niagara Region will grow to 610,000 people and 265,000 jobs by 2041. This is an increase of 150,000 people and 74,000 jobs between 2016 (the last Census year) and 2041. The Growth Plan, and Niagara 2041, identify that the majority of this growth will be urban, and in a more compact, dense, and mixed-use form than has historically occurred in Niagara.

The GMP advances the strategic growth vision set out in Niagara 2041; the Region seeks to allocate population and employment growth to areas of market demand, with consideration to the supply of developable land in different areas.

To do so, and to conform to or be consistent with the Growth Plan and other provincial policies, the Region is preparing a series interrelated background studies. These studies will inform the land needs assessment that allocates population and

employment growth to the local municipalities. Details on this work program was outlined in PDS 3-2018, PDS 21-2018, PDS-C 7-2018.

The studies include:

- *Urban Structure*, to illustrate how the Region will focus growth into Strategic Growth Areas that maximize the Region's investments in public transit, infrastructure and community services.
- *Employment Lands Strategy*, to identify and protect the Region's Employment Areas, ensuring a sufficient, marketable supply of industrially designated land to support current and future economic activity.
- *Housing Strategy*, to determine what type of housing is required to meet the needs of Niagara's current and future residents.

The attached Status Report sets out the work performed to date on these studies, each of which remain in draft form. Key highlights of this material will form the basis of information shared at the November Official Plan open houses.

Consultation & Engagement

The GMP includes significant consultation and co-operation with local municipalities. The background studies identified above will reflect that consultation.

Over the summer of 2019, Regional staff met, individually, with senior planning staff of the local municipalities to outline the status of these studies and to discuss draft population and employment allocations for the land needs assessment.

Next Steps

Regional staff will continue to work on the growth management program through the balance of 2019 and into 2020. Regional staff intend to bring forward the results of the background studies and the land needs assessment for Council's endorsement.

Alternatives Reviewed

The work being undertaken is required by Provincial policy and is critical to the development of the Region's new Official Plan.

Niagara's growth would be unmanaged if it had no urban structure, employment strategy, housing strategy, and land needs assessment. Additionally, these studies are needed to ensure a co-ordinated approach with the Region's investment in infrastructure, community services, and transit, amongst other things.

Relationship to Council Strategic Priorities

A new Regional Official Plan will assist in implementing Council's Strategic Priority of Innovation, Investment and Entrepreneurship. The three background studies informing and in support of the GMP are critical to the development of the new Regional Official Plan.

Other Pertinent Reports

PDS 34-2015 Niagara 2041: Establishing a Growth Strategy
PDS 37-2016 Niagara 2041 Growth Strategy: Local Municipal Growth Allocations
PDS 40-2016 Regional Official Plan Update
PDS 41-2016 Co-ordinated Policy Review Proposed Revisions
PDS 41-2017 High Level Official Plan Process Framework
PDS-C 7-2018 Update on the Ministry of Municipal Affairs Proposed Methodology for Land Needs Assessment
PDS 9-2018 Official Plan Consultation Strategy
PDS 21-2018 MCR Update: New Regional Official Plan and Growth Management Program

Prepared by:

Isaiah Banach
Manager, Long Range Planning
Planning and Development Services

Recommended by:

Rino Mostacci, MCIP, RPP
Commissioner
Planning and Development Services

Submitted by:

Ron Tripp, P.Eng.
Acting, Chief Administrative Officer

This report was prepared in consultation with Brian Dick, MCIP, RPP, Senior Planner and Dave Heyworth, MCIP, RPP, Official Plan Consultant.

Appendices



NIAGARA OFFICIAL PLAN

Growing Region: Summer 2019 Status Report

August 2019

GROWING REGION



NIAGARA 2041 GROWTH STRATEGY

Growth must be proactively planned to achieve the desired outcome.

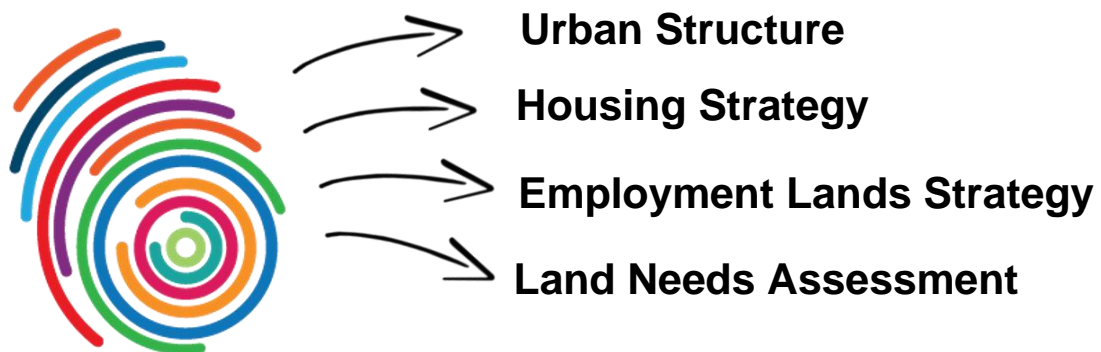
The Region has been working to do that – including significant background work for its new Official Plan.

In 2015, the Region developed the Niagara 2041 Growth Strategy. This Strategy positions Niagara competitively with the Greater Golden Horseshoe (GGH) by directing growth to areas that optimize infrastructure investment and are efficient and sustainable.

The current Official Plan work builds on Niagara 2041, with consideration to the recently revised *Growth Plan for the Greater Golden Horseshoe, 2019* (Growth Plan) and other Provincial policies.

To meet Growth Plan objectives, residential growth will look different than the past. Provincial policies direct development to occur in a more compact, dense, and mixed-use form, supported by public transit.

This Discussion Paper highlights the status of the work undertaken by the Growth Management group, as of August 2019. Specifically, it provides background on the following studies which are being prepared to inform the growth management work of the new Official Plan:



URBAN STRUCTURE

Project Overview

The Urban Structure directs where growth should go. It helps maximize the Region's current and future investments in public transit, infrastructure and community services. The Urban Structure informs other parts of the Region's work, such as investment in new roads and sewers.

The draft Urban Structure directs growth to Strategic Growth Areas – nodes and corridors in settlement areas that are planned for higher densities and compact built form served by public transit. Strategic Growth Areas are envisioned to become the focus of commerce, business, cultural and entertainment activities for communities.


The development of Strategic Growth Areas is how the Region will meet, or exceed, the 50% intensification target set in the Growth Plan. This means that a minimum 50% of all new annual development must occur within the built boundary of the Region's urban areas.

Aligning growth to Strategic Growth Areas aims to satisfy several objectives: it focuses growth away from natural heritage features and agricultural land where development is not directed; it contributes to place-making, such as improved walkability; and, it improves the Region's economic competitiveness by providing identified areas for development at specific scales.

Project Status

The Region's proposed Urban Structure is composed of the following Strategic Growth Areas. These were developed in consultation with local municipal planners and the Planning Advisory Committee, with consideration of Provincial Plans including the Growth Plan (Figure 1):

 The Downtown St. Catharines
Urban Growth Centre

 Other Strategic Growth Areas
(District Plan Areas)

 Regional Urban Centres

 Local Centres

 GO Transit Station Areas

 Local Corridors



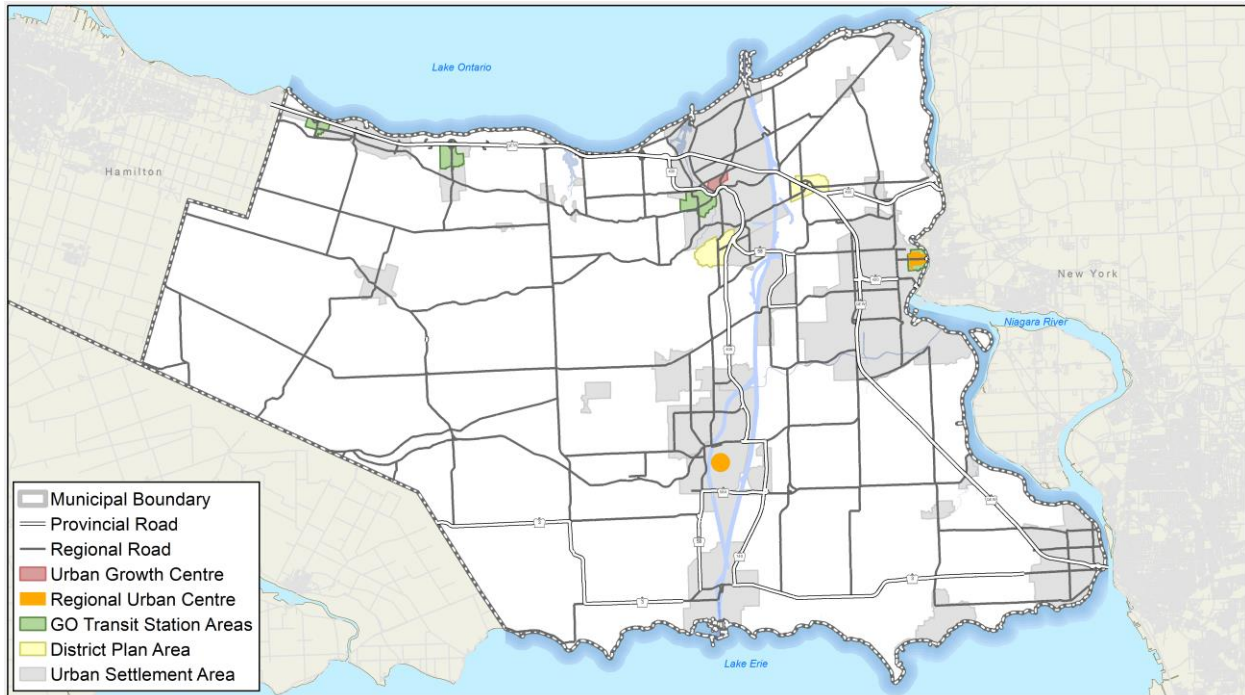


Figure 1: Niagara Region's Draft Urban Structure

Downtown St. Catharines Urban Growth Centre

The Growth Plan identifies Downtown St. Catharines as an Urban Growth Centre (UGC). This area will accommodate significant population and employment growth with the highest density and the broadest range of uses.

The Growth Plan requires the UGC be planned for a minimum density target of 150 residents and jobs combined per hectare by 2031. Through the Regional Official Plan process, the Region is working with St. Catharines to determine any increase in size or density target of the UGC.

Regional Urban Centres

Regional Urban Centres include Downtown Welland and Downtown Niagara Falls (which includes the Niagara Falls Major Transit Station Area). Similar to the UGC, these are areas that are regional focal points for accommodating significant population and employment growth.

GO Transit Station Areas

With increased GO train service, the areas around existing or proposed stations fit the provincial definition of Major Transit Station Areas (MTSAs). Niagara's MTSAs were planned in collaboration with the local municipalities of Grimsby, Lincoln, St. Catharines, and Niagara Falls, respectively.



The MTSA boundaries were delineated in the local Official Plans through secondary plans approved by Regional Council in 2018. They are planned for significant growth in alignment with Provincial policies.

Other Strategic Growth Areas (District Plan Areas)

Other Strategic Growth Areas are those areas that are planned for intensification which do not fit the categories previously described. Other Strategic Growth Areas include areas covered by District Plans. District Plans processes have been used in two cases to date: Brock and Glendale.

District Plans set proactive strategies for more complex areas or those that span multiple planning jurisdictions. These strategies set out a high-level framework for land-use planning, design and development of more complete communities.

BROCK DISTRICT PLAN

The Brock District is a strategic growth area that straddles the City of St. Catharines and the City of Thorold. It consists of a vibrant university community set within a UNESCO World Biosphere Reserve. The Brock District Plan is implemented by a number of public and private entities including Niagara Region, City of Thorold, City of St. Catharines, Brock University, Niagara Escarpment Commission, and Hotel Dieu Shaver.

GLENDALE DISTRICT PLAN

The Glendale Niagara District Plan is currently being drafted. The area is adjacent to natural areas and prime agricultural lands, and includes a College, Regional-serving outlet mall, hotel and conference centre, amongst other uses. Glendale is proximate to major good movement corridors and facilities like the QEW and Niagara District Airport. The area has potential to accommodate significant growth in existing sites and underutilized greenfield areas.

Local Centres and Corridors

Local centres and corridors are implemented primarily by local municipalities.

Local centres and corridors vary in size, nature and characteristics. These areas may include traditional downtown areas, main streets or other mixed use areas. They may be centres for residential, employment, social and cultural services and preferred areas for public and private investment. Most will have existing or planned public transit.

Unlike other elements of the Urban Structure, Local Centres and Local Corridors will not be mapped in the Regional Official Plan. Instead, they will be identified in local municipal official plans.



Project Timeline

In 2020, Regional staff will develop a draft Urban Structure policy set for the Official Plan for consultation by local municipalities and the public.




The Region is working on policies to reflect recent Provincial direction, including density targets, aligning growth with infrastructure improvements, and using secondary plans as an implementation method. The Region will continue to consult with the local municipalities, the Planning Advisory Committee, and other stakeholders in developing the policy.

HOUSING STRATEGY

Project Overview

While the Urban Structure identifies growth and intensification areas, the Housing Strategy will identify the form of housing needed.

Section 2.2.6.1 of the Growth Plan directs upper- and single-tier municipalities to support housing options within their communities by:

-  identifying a diverse range and mix of housing choices and densities;
-  establishing targets for affordable ownership and rental housing; and,
-  identifying land use planning and financial planning tools to support these measures within their communities.

The Growth Plan also directs municipalities to ensure that the implementation of these measures is accomplished through the creation of Official Plan policies and Zoning By-law provisions that are in alignment with applicable housing and homelessness action plans required under the *Housing Services Act, 2011*.

In 2013, the Region finalized the 10-Year Housing and Homelessness Action Plan (HHAP) in consultation with local community members, service providers, local area municipalities, and other stakeholders.

The HHAP sets out how Niagara Region will address housing and homelessness locally through the development of affordable and non-profit housing, the prevention of homelessness and chronic homelessness, and the co-ordination of homelessness support services.



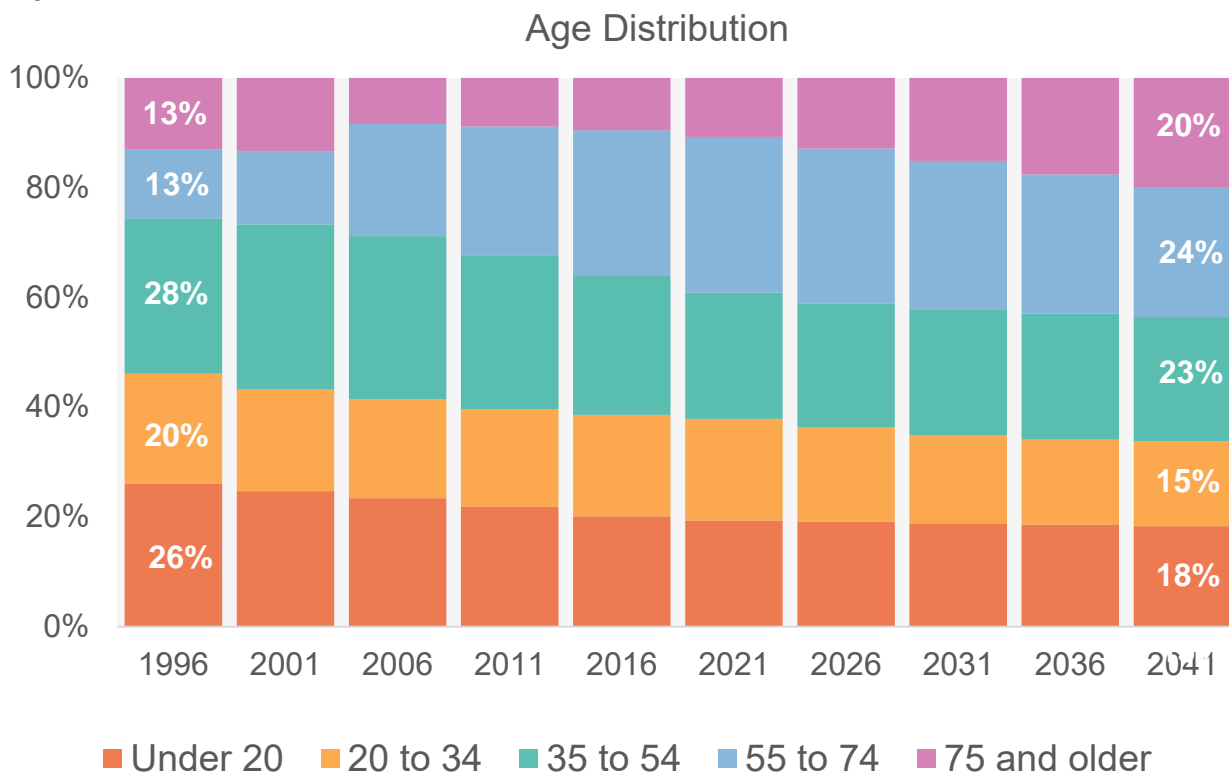
The HHAP is currently undergoing a five-year comprehensive review to ensure consistency with the *Policy Statement: Service Manager Housing and Homelessness Plans (2016)*. A complete assessment of current and future housing needs is needed to address changes in local priorities and to be co-ordinated with the Province’s land use planning framework.

Project Status

In December 2018, the Niagara Housing Statement project was awarded to the Canadian Centre for Economic Analysis (CANCEA).




CANCEA prepared a database that compiled information about the current stock of rental, ownership and affordable housing in the Region by type and location, including detailed demographic and housing trends based on historical data and projections set out in Niagara 2041. This information is combined with household data, such as the type of household, income level, age of household maintainer, and whether the household faces core housing need or affordability challenges. The database also includes analyses of key sub-groups, such as older adults, low-income earners, immigrant and homeless populations, and aboriginal identity.

The preliminary results show the Region is facing a housing needs challenge different from other parts of Ontario. The Region has a significantly older population compared to the rest of the Province and this trend is expected to continue upwards in the future. The population of individuals 55 years or older is expected to almost double by the year 2041:



Data was collected on core housing need to determine the number and types of households that cannot satisfy their basic housing requirements.

Core housing need is defined as households which fall below at least one of the following housing standards:

-  Adequate housing, which refers to dwellings reported by residents as not requiring any major repairs.
-  Affordable housing, which refers to dwellings whose shelter costs (i.e. mortgage, rent, property taxes, utilities, etc.) are equal to less than 30 per cent of total before-tax household income.
-  Suitable housing, which refers to dwellings which have enough bedrooms for the size and makeup of resident households according to National Occupancy Standard requirements.

Core Housing Need currently affects 13 per cent of households in the Region (approximately 24,000 households).

Renter households are three times more likely to be in core housing need than owner households. Further, renter households live in unsuitable, unaffordable and inadequate dwellings at higher rates than ownership households.

Among these components of housing need, affordability is the main challenge in the Niagara Region. Almost all households affected by core housing need are in the lower 4 income deciles, and of these, the majority are in deciles 1 and 2, which are those who earn less than \$29,499 per year (Figure 2).

HOUSEHOLD INCOME FOR HOUSING AFFORDABILITY:		
INCOME LEVEL	* MAXIMUM AFFORDABLE HOUSING COST (MONTHLY)	NUMBER OF HOUSEHOLDS IN CORE NEED
LESS THAN \$19,399	\$484	8,557
\$19,400 - 29,499	\$737	7,545
\$29,500 - 39,799	\$995	6,295
\$39,800 - 52,699	\$1,317	1,429
\$52,700 - 68,399	\$1,710	4
\$68,400 - 84,399	\$2,107	0

* Maximum affordable housing cost is 30% of total gross income.

Figure 2: Household in Core Housing Need by Income Deciles (Statistics Canada, CANCEA)



The results also find that single-person households are the dominant type of households in need, a trend which is expected to grow as the population ages and household sizes decrease (Figure 3).

Niagara Region's housing stock is primarily comprised of low-density single-detached homes, which is predominantly ownership-based. Medium- and high-density housing represents 24% of the Region's total housing stock, and is primarily renter-based (71%).

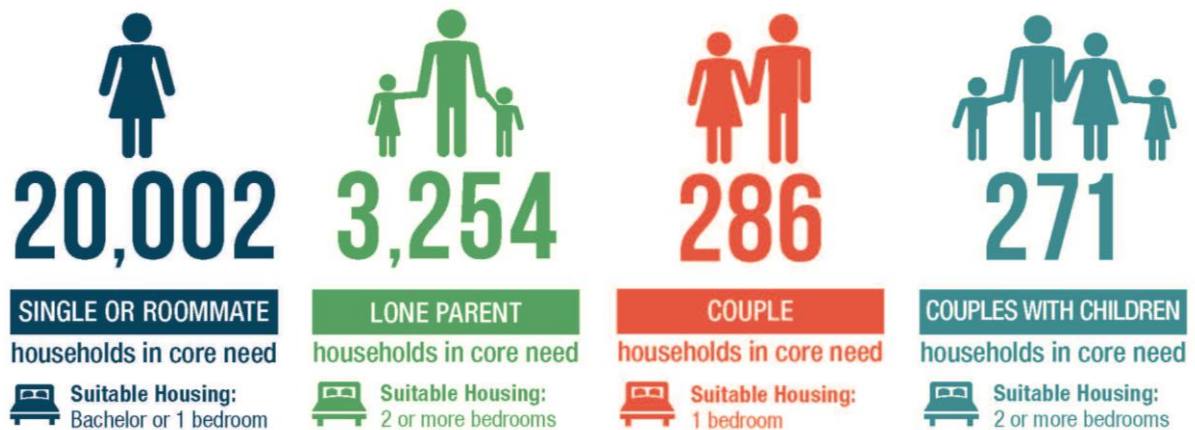


Figure 3: Households in Core Housing Need (Statistics Canada, CANCEA)

The findings suggest the Region's housing stock may not align with existing or future core housing needs. The Region's priority is to develop Official Plan housing policy that promotes the diversity of housing stock and tenure required to meet the core need.

Project Timeline

After the data was provided, the Region requested further analysis from CANCEA for the HHAP review and to assist with the Housing Strategy policy.

On June 7th, 2019, the Niagara Region hosted a training and facilitation session for local municipal planners to gain insight into the risks and rewards of various housing scenarios set out in CANCEA's analysis platform.

Based on the feedback received at this session, as well inter-Departmental discussions, Staff will determine the extent to which further analysis is required to inform the various studies and projects currently being undertaken across the Region on addressing housing need and affordability.

The results of this analysis and the recommended Housing Strategy policy direction will be advanced to the Planning and Economic Development Committee in Fall 2019.



EMPLOYMENT LANDS STRATEGY

Project Overview

The Growth Plan requires Niagara Region to plan for 2041 employment of 265,000 jobs. To do so, the Region and its consultant (MHBC) is developing an Employment Lands Strategy.

The current strategy will address all employment lands in the Region. Previous work had a different focus: the Employment Lands Studies for the Gateway (Fort Erie, Niagara Falls, Port Colborne, Thorold and Welland) and the non-Gateway (Grimsby, Lincoln, Niagara-on-the-Lake, Pelham, St. Catharines, Wainfleet and West Lincoln). Since those studies were complete, employment trends have evolved and Provincial policies around employment lands have been significantly revised.

An important part of the Employment Lands Strategy is the identification and definition of the Region's "Employment Areas". Employment Areas are defined in the Provincial Policy Statement (PPS) and Growth Plan as clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities. The Region is required to protect a sufficient supply of Employment Areas to achieve forecasted employment growth to 2041.

Project Status

The following section provides an overview of the component of the Strategy.

Identification of Designated Employment Lands

Working in collaboration with the local municipalities, a spatial inventory of all individual industrial and major office parcels designated as employment lands and identified in local official plans was created for the Niagara Region. All designated employment lands, including urban and rural lands, were identified in the initial inventory.¹

Niagara Region has nearly 3,000 designated employment parcels totaling 7,406 hectares. Of the 7,406 ha, 6,071 ha are developable (82%) when discounting for natural heritage features, cemeteries and right-of-ways. Of the developable area, 4,001 ha have been developed (66%) and 2,071 ha (34%) remain vacant. Of the vacant employment lands, the majority (83%) are within Gateway municipalities.

¹ This stage of analysis does not consider whether any of the employment lands were Employment Area as that term is used in the PPS and Growth Plan.



Identification of Draft Employment Areas

As noted earlier, Employment Areas are designated areas in an official plan for clusters of business and economic activities. Employment Areas are made up of employment lands, but not all employment lands are Employment Areas.

The identification of draft Employment Areas is targeting a Fall 2019 completion. Over the summer of 2019, the Region met, individually, with local area planners to identify employment lands that form Employment Areas in their respective municipalities.

Identification of Employment Areas began with a draft identification of employment clusters, followed by an individual review with each municipality and additional spatial revisions and calculations.

At the time of writing, the analysis suggests 29 total Employment Areas in the Region, consisting of 3,662 ha, 3,071 ha of which are developable. Of the developable land within identified Employment Areas, 1,898 ha (62%) have been developed and 1,173 ha are vacant (38%).

Common Criteria for Employment Areas

Another component of the Strategy is the analysis of Niagara's Employment Areas as they relate to others in the GGH. This will inform how Niagara's Employment Areas should be planned.

Other GGH employment areas include the following characteristics identified to date:

1. Close proximity to major infrastructure
2. Access to Inter-Regional economic markets
3. Large land areas with flexibility for land development
4. Significant scale and cluster of employment activity
5. Recognition and protection within land use planning
6. Locational and financial competitiveness

Recommendation of Future Strategic Employment Areas

Compared to other jurisdictions, Niagara's Employment Areas have less major highway access and are smaller in overall size. The geographic distance of 12 municipalities and 27 urban areas in the Region leads to a greater dispersion of Employment Areas than elsewhere in the GGH.

The draft recommendations suggest a need for the identification of future strategic Employment Areas in Niagara Region, in particular in the Gateway Corridor to further implement Provincial and Federal objectives for employment and investment.



Next Steps

The Region is working with MHBC to evaluate Niagara's Employment Areas and the role of the Region in protecting and promoting them. MHBC will identify a policy vision for Employment Areas to be implemented through the Official Plan.

The draft Employment Strategy will be considered through stakeholder engagement including local municipalities, Economic Development Offices, industry associations and the public.

The identified Employment Areas will feed in to the Land Needs Assessment to determine if potential land expansions or reductions are required.

After this phase of the Strategy is complete, the Region will undertake a second phase of the Strategy which will undertake a more technical analysis of the feasibility of future Strategic Employment Areas, noted above.

LAND NEEDS ASSESSMENT

Project Overview

Land needs refers to the amount of land required within a municipality or Region required to accommodate forecasted growth.

The Province has a methodology document that sets out how to meet the Land Needs Assessment policies of the Growth Plan.

The Land Needs Assessment requires input from other strategies noted above – Employment, Urban Structure and Housing. Figure 4 demonstrates the inputs and interconnected nature of the Land Needs.

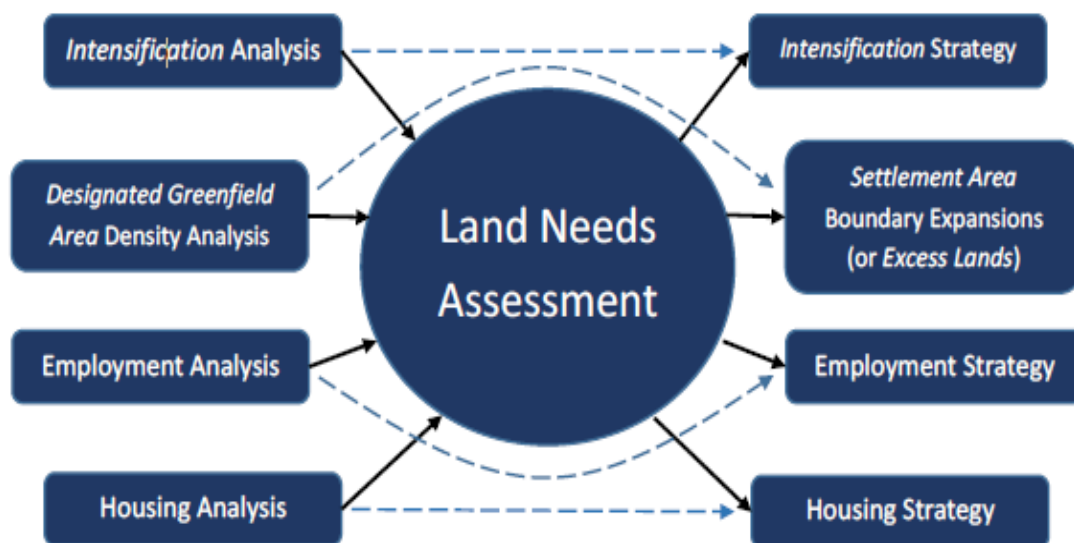


Figure 4: Land Needs Assessment Methodology Inputs and Components



The Land Needs processes is iterative – it requires revision based on ongoing engagement with local municipalities. Figure 5 outlines the general process:

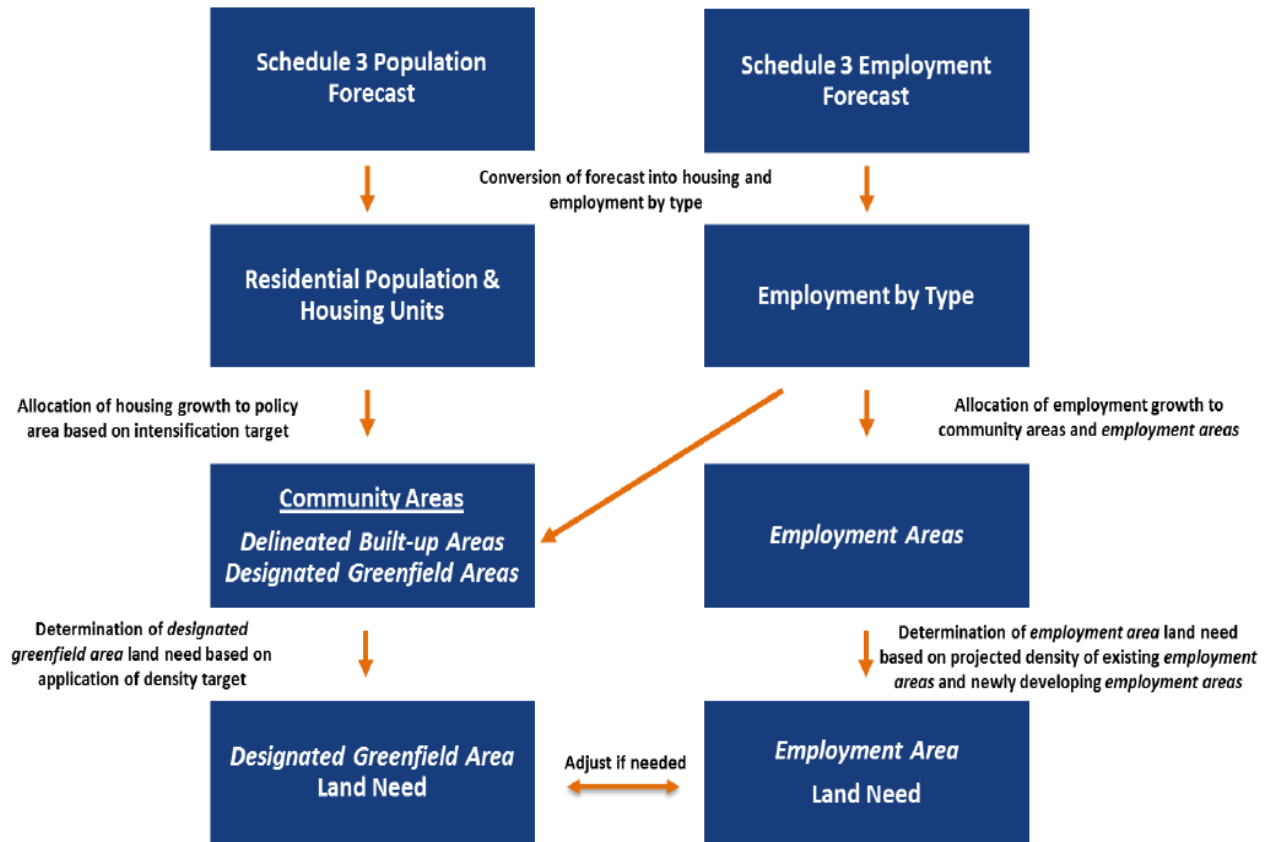


Figure 5: Land Needs Assessment Process Overview

Hemson Consulting has been retained by the Region to review the Region’s draft Land Needs Methodology and provide recommendations.

Project Status

The Region has been actively working through the Land Needs process since the Province released the methodology in 2018.

As previously noted, the process is iterative and land need requirements change to reflect inputs from other studies and local strategies. In the summer of 2019, Regional staff met with local municipal staff to discuss local land needs and make adjustments where appropriate.



Next Steps

Completion of the Land Needs assessment requires input from the Employment Strategy that is being refined, as noted above.

Regional staff continues to consult with local municipalities and other stakeholders, after which the Region will prepare a Land Needs Assessment report for Council consideration.

The report will outline the amount of Designated Greenfield Area and Employment Area required to meet the Growth Plan forecasts. It will also outline the growth required at a Regional level to achieve the 2041 forecast.

