



 **Watson**
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ECONOMISTS LTD.

Employment Lands Strategy

City of Niagara Falls

Phase 3 Report



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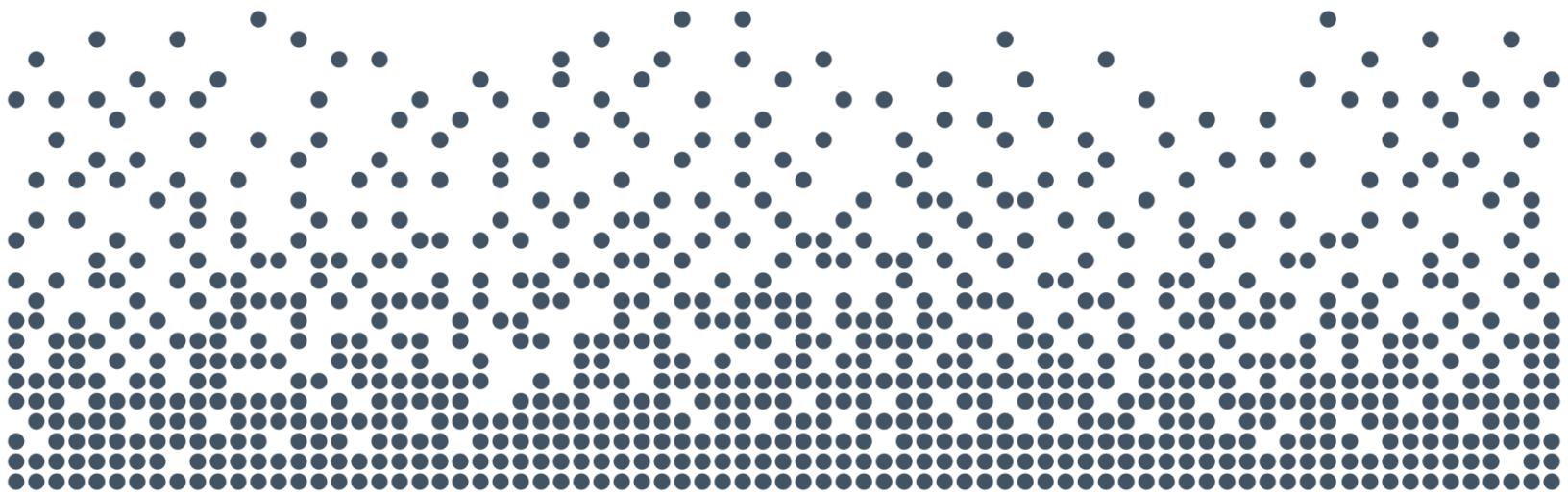
List of Acronyms and Abbreviations

Acronym	Full Description of Acronym
A.I.	Artificial Intelligence
A.P.T.G.	A Place to Grow
B.U.A.	Built-Up Area
C.I.P.	Community Improvement Plan
C.R.A.	Canada Revenue Agency
C.M.A.	Census Metropolitan Area
D.G.A.	Designated Greenfield Area
E.L.S.	Employment Lands Strategy
F.S.I.	Floor Space Index
G.D.P.	Gross Domestic Product
G.F.A.	Gross Floor Area
G.G.H.	Greater Golden Horseshoe
G.I.S.	Geographic Information Systems
G.T.H.A.	Greater Toronto Hamilton Area
I.C.I.	Industrial, Commercial and Institutional Sector
I.M.F.	International Monetary Fund



List of Acronyms and Abbreviations (Cont'd)

L.N.A.	Land Needs Assessment
L.Q.	Location Quotient
M.C.R.	Municipal Comprehensive Review
M.T.S.A.	Major Transit Station Area
N.O.C.	National Occupation Classification
N.P.C.	Niagara Parks Commission
O.M.B.	Ontario Municipal Board
O.P.	Official Plan
O.P.A.	Official Plan Amendment
P.M.I.	Purchasing Managers' Index
P.P.S.	Provincial Policy Statement
P.S.E.Z.	Provincially Significant Employment Zone
Sq.ft.	Square Feet
Sq.m.	Square Metre
S.W.O.C.	Strengths, Weaknesses, Opportunities, and Constraints
T.P.I.A.	Toronto Pearson International Airport
Q.E.W.	Queen Elizabeth Way
U.S.	United States
V.P.N.	Virtual Private Network
W.H.O.	World Health Organization
W.T.O.	World Trade Organization
Y.T.D.	Year-to-Date
Z.B.A.	Zoning By-Law Amendment



Executive Summary



Executive Summary

Watson & Associates Economists Ltd. (Watson), in partnership with Dillon Consulting Ltd. (Dillon), and MDB Insight Inc. (MDB), hereinafter referred to as the Consultant Team, were retained in the winter of 2020 by the City of Niagara Falls to conduct an Employment Lands Strategy (E.L.S.) for the City. This E.L.S. will contribute to a long-term vision and planning policy framework which will enhance the City's competitive position for industrial and office employment, including other employment-supportive uses in its Employment Areas. A key objective of this study is to assess City's long-term employment land needs to the year 2051, while also considering the adequacy and marketability of the City's "shovel-ready" employment lands within the near term. More specifically, this study provides the following:

- An evaluation of the City's current employment land supply and an assessment of "Investment Readiness" of its Employment Areas within the context of evolving macro-economic trends and anticipated employment sectors;
- A review of regional and local macro-economic and demographic trends that are anticipated to impact the amount, type and location of the City's long-term population and employment growth potential;
- A S.W.O.C. (Strengths, Weakness, Opportunities and Constraints) assessment of the City's Employment Areas to accommodate future employment growth within identified target sectors;
- An assessment of longer-term Employment Area land needs (i.e. supply versus demand) within the broader context of Region-wide trends in Employment Areas;
- A review of employment sites identified for potential conversion to a non-employment use;
- An assessment of location options for a future Employment Area in the City of Niagara Falls, with a recommendation on the preferred site;
- A review of the City's current Official Plan (O.P.) policies related to Employment Areas. This review will identify potential gaps within the current policy framework as well as provide recommendations for considerations to be potentially addressed through an Official Plan Amendment (O.P.A.) and Zoning By-law Amendment (Z.B.A.); and
- Recommended strategies to promote and attract industrial growth in Employment Areas on an international stage.



This analysis represents all three phases of the Employment Lands Strategy (E.L.S.) for the City of Niagara Falls. This Phase 3 report provides further direction regarding employment land needs, a framework and evaluation of potential Employment Area conversions to non-employment uses, strategic planning policy recommendations, and marketing strategies to deliver investment-ready lands.

The following provides a summary of the key findings of this Phase 3 report:

Policy Context

The Niagara Falls O.P. was approved in 1993 and has undergone a number of amendments since this time to respond to provincial and regional policy directions. The most recent consolidation of the O.P. occurred in 2019 and includes all amendments up to April 2019. consolidated, The O.P. captures a variety of the provincial policy changes; however, recent changes to the provincial policies should be considered as part of future O.P. updates. In addition, the Regional O.P. is currently under review as part of the M.C.R. process to bring it into conformity with the Growth Plan, 2019. Once completed, the outcome of the M.C.R. process may have an impact on the City's employment lands. These potential changes to the regional policies should also be considered as part of future O.P. updates.

Historical Employment Trends

- Niagara Falls experienced a total growth rate in jobs of 3.8% (net increase of approximately 1,720 jobs) from 2016 to 2020 or an average annual employment increase of 1.1%, similar to that witnessed across Niagara Region. Jobs in Niagara Region increased by 4.3% (net increase of approximately 8,970 jobs) from 208,760 jobs in 2016 to 217,730 jobs in 2020 or an average annual increase of 1.1%.
- The following sectors experienced the largest employment increase:
 - Accommodation and food services – increase of approximately 850 jobs (net increase of 7%);
 - Transportation and warehousing – increase of approximately 390 jobs (net increase of 32%); and
 - Construction – increase of approximately 320 jobs (net increase of 11%).



Land Supply Analysis

The following are key highlights of the designated employment land inventory:

- The following are key highlights of the designated employment land inventory:
- The City's employment land supply is 1,088 gross hectares (ha) (2,689 gross acres) and is comprised of 1,008 gross ha (2,491 gross acres) of developed/occupied employment land and 79 gross ha (195 acres) of vacant employment land; and
- The City's Employment Areas account for nearly half of the designated employment land supply. The vacant land supply, however, is greatest within Employment Areas, as they represent 74% of the vacant employment land supply.
- As of July 2020, it is estimated that the City of Niagara Falls has a vacant employment supply of approximately 78 ha (193 acres), adjusted for internal infrastructure for large parcels. The City has 21 ha (52 acres) of vacant employment lands which are located outside Employment Areas. The North Niagara Falls Secure Storage Employment Area offers 41 ha (101 acres) of vacant employment land, accounting for more than half the vacant employment land supply in the City of Niagara Falls and a majority of vacant land within the City's Employment Areas. The Montrose Road Industrial Area contains 11 ha (27 acres) of the remaining vacant land and the Stanley Avenue Business Park has 5 ha (12 acres) of net vacant employment land remaining. Shovel-ready lands and the remaining serviceable vacant employment lands are identified in Figure 4-6 through Figure 4-9. Lands identified as shovel-ready include lands which abut an arterial, collector, or local road and have sanitary, water, and storm stubbed at the property line. The following summarizes the key findings regarding the shovel-ready land supply:
- It is estimated that there are 48 ha (119 acres) of shovel-ready employment lands in Niagara Falls, comprising 58% of the vacant designated employment land area.
- There are 63 sites comprising 76 ha (188 acres) of land area that may have the potential to accommodate additional employment growth within Employment Areas in the City of Niagara Falls. Of the 63 parcels, only ten sites are larger than two ha in size and can be expected to potentially accommodate mid- to large-scale developments within the City of Niagara Falls.



Stakeholder Consultations

Stakeholders were contacted and invited to participate in telephone interviews with the Consultant Team in the spring of 2020. Key stakeholders interviewed include Regional staff, City staff and departments, industrial brokers, and local industrial-based employers. The following details the key themes discussed by stakeholders:

- There was overall agreement that the City is well-positioned to attract economic activity and improve its competitiveness in the long term; however, it was expressed that a lack of vacant, shovel-ready employment land is preventing successful attraction efforts
- Stakeholders generally agreed that there is demand from the G.T.H.A. for employment land in Niagara Falls, following a “build it and they will come” mentality. In order to capitalize on the above characteristics and avoid missed opportunities in attracting businesses and emerging industries, there is a consistent need for varied types of Employment Areas (e.g. size, location, configuration, amenities, etc.), but more specifically there is a need for large, serviced, and developable Employment Areas.
- In order to capitalize on the above characteristics and avoid missed opportunities in attracting businesses and emerging industries, there is a consistent need for varied types of Employment Areas (e.g. size, location, configuration, amenities, etc.), but more specifically there is a need for large, serviced, and developable Employment Areas.
- The final key theme discussed among stakeholders focused on the types of employment the City can attract through its Employment Areas as well as the nature of industrial parcels required to accommodate these target industries.

Employment Land Demand

Accordingly, the Regional M.C.R. employment forecast for the City of Niagara Falls to 2051 has been summarized herein.

Key observations regarding the 2051 City of Niagara Falls employment forecast by type are as follows:



- Employment Land Employment (ELE) jobs are forecast to increase by 2,550 between 2016 to 2051, reflecting an annual increase of 73 jobs. This Niagara Falls job allocation in ELE represents 14% of the Region-wide growth; and
- Population-Related Employment (PRE) jobs in Niagara Falls are forecast to increase by from approximately 28,910 to 40,430, representing an increase of 11,520 jobs. The City's PRE job growth represents 24% of the Regional allocation.

Over the long-term planning horizon, Niagara Falls Employment Areas are anticipated to accommodate approximately 18% of the City's total employment growth, totaling 3,450 employees. Employment Areas within the City are expected to accommodate 100% of City-wide employment land employment and 5% of forecast population-related employment.

Assuming an average target density on Employment Areas of 25 jobs per gross ha (10 jobs per gross acre), the City of Niagara Falls is forecast to absorb an average of 4 gross ha (10 gross acres) of Employment Area per year over the next 26 years, generating a total land demand of 124 gross ha (306 gross acres) over the long-term planning horizon.

In accordance with the City's supply of designated, developable vacant urban Employment Areas and forecast demand for these lands, a deficit of 64 gross ha (158 gross acres) has been identified by 2051. Adjusted for land vacancy, the City's long-term land need is 76 gross ha (188 gross acres).

Conversion Analysis

In consultation with City of Niagara Falls staff, the Consultant Team has assessed a number of candidate sites on employment lands which may be appropriate to convert to a non-employment uses. This exercise was completed within the framework of the Growth Plan, 2019 and the 2020 P.P.S. as well as site-specific evaluation criteria which are discussed below. In total, the City has identified seven sites for review in this regard.

To ensure protection of employment lands, it is important to consider on a site-by-site basis, the potential impact of a conversion on the City's existing and developing employment lands. These evaluation criteria are discussed through a site-by-site analysis in Chapter 7. Of the six candidate sites considered for analysis, three sites



have been recommended for conversion to a non-employment use. In addition to the above conversion analysis, the Consultant Team has identified four additional vacant industrial sites which should be reviewed for conversion

Policy Recommendations

This section provides recommendations pertaining to the City's employment lands. These recommendations consider the respective supply and demand analyses to 2051 as well as the broader policy context, including Provincial and Regional policies. The recommendations are grouped based on five themes, which include:

- Future vision for the City's Employment Lands;
- Provincial and Regional Policy Conformity and Alignment;
- Employment Land Conversion;
- Future Land Needs; and
- Competitiveness of Supply.

Clarifying Employment Lands with Employment Areas - There are a number of technical revisions which should be considered to provide for enhanced clarity and readability of the City's employment policies:

- Consistent language and terminology;
- Visual Representation;
- Definitions; and
- Organization of Conversion Policies.

Provincial and Regional Policy Conformity and Alignment - There are a number of changes to the City's current O.P. framework required to address matters of consistency and conformity with the P.P.S., 2020; Growth Plan, 2019 (including Amendment 1); and the Niagara Region O.P.:

- Strengthen policies to protect the long-term viability for existing and planned industries;
- Add a policy recognizing that Employment Areas adjacent to or near major goods movement facilities and corridors should be protected;
- Strengthen policies to facilitate developing active transportation networks and a transit-supportive built form in Employment Areas;



- Strengthen existing policies regarding the design of surface parking to minimize surface parking in Employment Areas;
- Add a policy regarding the City's role in working with the Region, and appropriate stakeholders such as Niagara Region Transit, to coordinate planning for economic development and transportation demand management; and
- Designate the Niagara Economic Gateway on O.P. mapping.

Future Land Needs – Ultimately, the study findings suggest that there is not sufficient land available to meet the project employment demand and, accordingly, additional land will need to be added to meet the demand. There is a need for the City to provide additional land to meet the demand to the 2051 planning horizon.

Competitiveness of Supply – The Regional O.P. identifies a set of policies for the Niagara Economic Gateway, which includes the Niagara Falls Priority Investment Area, to promote economic development. While the Niagara Falls O.P. focuses on promoting industrial development, an opportunity exists to broaden the discussion by considering potential investment incentives for these areas, which are currently not delineated within the City's O.P.

Employment Area Location Options Analysis

Identification of a new Employment Area is required in order to ensure the City can accommodate the anticipated employment demand to 2051. A review was undertaken between City staff and the Consultant Team to assess potential location options for a new Employment Area. This chapter defines the criteria to identify the new proposed Employment Area and provides an evaluation of each site to arrive at the recommended site.

Five prospective sites for a new Employment Area were identified within the City and were reviewed utilizing an evaluation matrix. This evaluation matrix is comprised of three primary principles and a set of seven localized criteria. Primary principles include key growth management themes that are essential requirements for the sites to fulfil. Thereafter, the localized criteria further evaluate the prospective Employment Areas, looking at site-specific attributes and development viability.

Based on the Employment Area assessment, it is recommended that 'Site 1 - Crawford Farm and Surrounding Area (South of Welland River)' is the preferred site for a future Employment Area within the City of Niagara Falls. This is the only site which meets all



the primary principles of being within the urban boundary, having a sufficient land area to accommodate forecast employment demand and minimal land use compatibility concerns are associated with developing this site as an Employment Area.



Report



Chapter 1

Introduction



1. Introduction

1.1 Terms of Reference

Watson & Associates Economists Ltd. (Watson), in partnership with Dillon Consulting Ltd. (Dillon), and MDB Insight Inc. (MDB), hereinafter referred to as the Consultant Team, were retained in the winter of 2020 by the City of Niagara Falls to conduct an Employment Lands Strategy (E.L.S.) for the City. This E.L.S. will contribute to a long-term vision and planning policy framework which will enhance the City's competitive position for industrial and office employment, including other employment-supportive uses in its Employment Areas. A key objective of this study is to assess City's long-term employment land needs to the year 2051, while also considering the adequacy and marketability of the City's "shovel-ready" employment lands within the near term. More specifically, this study provides the following:

- An evaluation of the City's current employment land supply and an assessment of "Investment Readiness" of its Employment Areas within the context of evolving macro-economic trends and anticipated employment sectors;
- A review of regional and local macro-economic and demographic trends that are anticipated to impact the amount, type and location of the City's long-term population and employment growth potential;
- A S.W.O.C. (Strengths, Weakness, Opportunities and Constraints) assessment of the City's Employment Areas to accommodate future employment growth within identified target sectors;
- An assessment of longer-term Employment Area land needs (i.e. supply versus demand) within the broader context of Region-wide trends in Employment Areas;
- A review of employment sites identified for potential conversion to a non-employment use;
- A review of the City's current O.P. policies related to Employment Areas. This review will identify potential gaps within the current policy framework as well as provide recommendations for considerations to be potentially addressed through an Official Plan Amendment (O.P.A.) and Zoning By-law Amendment (Z.B.A.); and
- Recommended strategies to promote and attract industrial growth in Employment Areas on an international stage.



This analysis represents the first and second phase of the Employment Lands Strategy (E.L.S.) for the City of Niagara Falls. This Phase 3 report provides further direction regarding employment land needs, a framework and evaluation of potential Employment Area conversions to non-employment uses, strategic planning policy recommendations, and marketing strategies to deliver investment-ready lands.

1.2 Background

The City faces a number of opportunities and challenges with respect to the management of its existing and future Employment Areas. From a macro-economic perspective, the Greater Golden Horseshoe (G.G.H.) regional economy is transitioning from goods to services production. Within the service sector, economic growth has been particularly strong for small- to medium-scale knowledge-based businesses which are focused on innovation and entrepreneurship. The trend towards more knowledge-intensive and creative forms of economic activity is evident at the broader national and provincial levels as well as within the City of Niagara Falls. Recognizing the recent structural changes in the regional economy, there has been a shift in planning philosophy that calls for developing Employment Areas to provide for a wider range of amenities and employment-supportive uses that complement both knowledge-based and traditional industrial sectors.

While manufacturing remains vitally important to the provincial economy with respect to jobs and economic output, this sector is continually evolving across Ontario. Looking forward, there will continue to be a manufacturing focus in Niagara Falls and the surrounding economic region. Industrial processes, however, have become more capital intensive and automated, as local industries are required to streamline production through increased product innovation, specialization, and integration of technology. Future trends in the manufacturing sector will have a direct impact on employment density in Niagara Region's Employment Areas and ultimately on future employment land needs. While manufacturing remains a major area of economic activity across the region, business growth continues to diversify into other industrial and knowledge-based sectors. If properly planned for, the transitioning regional economy represents a potential opportunity for the City. To ensure the continued growth and diversity of the City's economy, planning and marketing efforts must be



geared toward both the broader strengths of the City and its Employment Areas, as well as specific target sector investment attraction efforts.

1.2.1 What are Employment Lands?

Employment lands typically include a broad range of designated lands, including light, medium and heavy industrial lands, business parks and rural industrial lands.

Employment Areas accommodate primarily export-based employment, including a wide range of industrial uses (e.g. manufacturing, distribution/logistics, transportation services), as well as specific commercial and institutional uses (e.g. office, service, ancillary/accessory retail) which generally support the industrial/business function of the Employment Areas. Within the City of Niagara Falls, employment lands also intersect with the tourism sector, with warehousing, food processing, and storage operations functioning as tourism-supportive uses. Employment lands can exist both inside and outside Employment Areas. The Niagara Region O.P. defines Employment Areas as lands that “are designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.” The City of Niagara Falls contains seven different Employment Areas (see Figure 2-4) located throughout the City’s urban boundary, with the City’s business parks located on the southern limits. Most of Niagara Falls employment lands exist within Employment Areas, with some designated employment lands scattered throughout the City’s urban boundary outside Employment Areas. Generally, the City’s employment lands that are located outside the City’s Employment Areas do not result in a clustered, cohesive landscape of business and employment activities.

1.2.2 Why are Employment Lands Important?

Employment lands form a vital component of the City of Niagara Falls’ land-use structure and are an integral part of the local economic development potential of the City and Region. They are also home to many of the City’s large private-sector employers.

Through development of its employment land base, the City is better positioned to build more balanced, complete, and competitive communities. Development typically accommodated on employment lands generates relatively strong economic multipliers (i.e. spin-off effects) that benefit the City and Region directly and indirectly. In addition,



employment lands development generates employment opportunities that can improve local socio-economic conditions (i.e. live/work opportunities). Furthermore, achieving non-residential growth adds to a community's assessment base, which can help support lower property taxes and stronger municipal service levels. Employment lands development also tends to produce more positive net fiscal benefits for the community than other types of development (e.g. residential and retail). Thus, a healthy balance between residential and non-residential development is considered an important policy objective for Niagara Region and its local municipalities.



Chapter 2

Policy Context Review and Gap Analysis



2. Policy Context Review and Gap Analysis

The following section provides an overview of the relevant provincial, regional and City policies that apply to Employment Areas within the City of Niagara Falls. The policies discussed herein will frame the scope of the City's employment lands supply analysis and policy directions.

2.1 Provincial Planning Policy Context

Planning for Employment Areas in Ontario is guided by a number of interrelated provincial documents, plans, guidelines and supporting documents. These documents provide the legislative requirements and general direction that informs the way municipalities plan for Employment Areas over the long term. The following section provides an overview of the key provincial, regional, and local policy context, which informs the employment land supply analysis in the City of Niagara Falls.

2.1.1 *Planning Act*

The *Planning Act* (1990) is the enabling legislation for land-use planning in Ontario. The *Planning Act* sets out the framework for statutory planning and identifies the delegated powers for municipal land-use planning. The *Planning Act* defines Employment Areas and establishes the provincial interest in planning for employment opportunities.

The *Planning Act* defines Employment Areas as:

an area of land designated in an official plan for clusters of business and economic uses including, without limitation, the uses listed in subsection (5), or as otherwise prescribed by regulation.

Uses that pertain to the definition include:

- a) manufacturing uses;
- b) warehousing uses;
- c) office uses;
- d) retail uses that are associated with manufacturing, warehousing and office uses; and



- e) facilities that are ancillary to manufacturing, warehousing, office and ancillary retail uses.

The *Planning Act* establishes that the adequate provision of employment opportunities is a matter of provincial interest and provides the legislative framework that is further implemented through several other provincial plans including the Provincial Policy Statement (P.P.S.), 2020, and Growth Plan, 2019 (A Place to Grow: Growth Plan for the Greater Golden Horseshoe (G.G.H.)).

2.1.2 Provincial Policy Statement, 2020

The P.P.S., 2020, issued under section 3 of the *Planning Act*, provides policy direction on matters of provincial interest related to planning and regulating the development and use of land. The *Planning Act* requires that all decisions that affect land-use planning matters must be consistent with the P.P.S., therefore all municipal O.P.s are required to be consistent with the policies in the P.P.S.

Section 1 of the P.P.S. outlines policies on “Building Strong Healthy Communities.” P.P.S. policy 1.3 promotes strong, livable, and healthy communities and requires that municipalities:

- Protect the environment, public health and safety;
- Provide the appropriate mix and range of employment, including industrial and commercial;
- Promote economic development and competitiveness;
- Provide an appropriate mix and range of employment types to meet long-term needs;
- Encourage compact, cost-effective development patterns; and
- Ensure that necessary infrastructure is made available.

The P.P.S. also encourages “compact, mixed-use development that incorporates compatible employment uses to support liveable and resilient communities.” P.P.S. policy 1.2.6.2 on land-use compatibility has been added to the P.P.S. to address the protection of the long-term viability of existing or planned industrial, manufacturing, or other uses in instances where land-use compatibility is being challenged by the encroachment of sensitive uses.



There are several existing and new policies within the revised P.P.S. that are relevant to the City of Niagara Falls' employment land supply analysis, including:

- **Land-Use Compatibility** – The revised P.P.S. includes a new policy which emphasizes the protection of the long-term viability of existing industrial and manufacturing uses in instances where avoidance of incompatibility uses in proximity to existing industrial and manufacturing uses is not possible. As per P.P.S. policy 1.2.6.2, the introduction of sensitive uses adjacent to existing industrial and manufacturing uses is only permitted if a set of conditions can be met, including the following:
 - There is a demonstrated need for the proposed use;
 - After evaluating, there are no reasonable alternative locations for the proposed use;
 - Adverse effects to the proposed sensitive use are minimized and mitigated; and
 - Potential impacts to industrial, manufacturing or other uses are minimized and mitigated.
- **Identifying Sites for Strategic Investment** – The revised P.P.S. includes policies regarding the identification of strategic sites for investment to promote economic development and competitiveness. As per P.P.S. policy 1.3.1 c, municipalities are to identify and monitor suitable employment sites, including market-ready sites for investment, and address potential barriers to investment.
- **Protection of Employment Areas** – As per P.P.S. policy 1.3.2.1, municipalities are expected to plan, protect, and preserve Employment Areas and provide the infrastructure to support growth.
- **Protection of Industrial and Manufacturing Uses** – The revised P.P.S. includes stronger policy direction on protecting existing industrial and manufacturing uses from non-compatible land uses. As per P.P.S. policy 1.3.2.2 appropriate separation distances and mitigation measures must be included between sensitive land uses and Employment Areas. Policy 1.3.2.3 prohibits residential uses and sensitive land uses that are not ancillary to the primary employment use. In addition, Employment Areas planned for industrial or manufacturing are required to include an appropriate transition to adjacent non-Employment Areas.
- **Conversion of Lands Within Employment Areas** – Municipalities may allow for the conversion of lands within Employment Areas but only through an M.C.R.



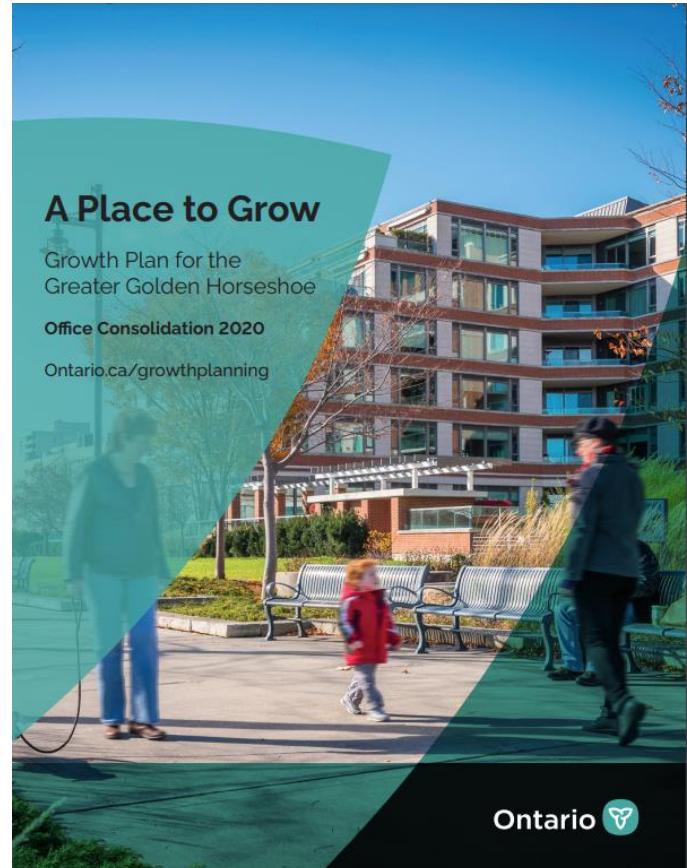
Some flexibility, however, is provided to allow for conversion outside the M.C.R. process, as noted in P.P.S. policy 1.3.2.5.

- **Proximity to Major Goods Movement Facilities and Corridors** – P.P.S. policies 1.3.2.6 and 1.8.1 c note that municipalities are to protect Employment Areas in proximity to major Goods Movement facilities and corridors for employment uses that rely on these locations. The P.P.S. defines major Goods Movement facilities and corridors as “transportation facilities and corridors associated with the inter- and intra-provincial movement of goods.”
- **Planning Beyond the 25-year Planning Horizon** – P.P.S. policies 1.1.2 and 1.3.2.7 have been revised to authorize the planning of Employment Areas beyond a 25-year planning horizon. This may have implications on Employment Area conversions within the City of Niagara Falls and as such should be considered as part of the employment land supply analysis.

2.1.3 Provincial Growth Plan for the Greater Golden Horseshoe

The Growth Plan, 2019, hereinafter referred to as Growth Plan (outlines where and how growth and development should occur between now and a planning horizon of 2051 within the Golden Greater Horseshoe (G.G.H.). The Growth Plan includes population and employment forecasts and policy direction for a range of areas including land use, infrastructure, housing, transportation planning, and employment.

On August 28, 2020, the Province released Amendment 1 to A Place to Grow: Growth Plan for the GGH, 2019 which has been incorporated into an Office Consolidation, August 2020 document. The Growth Plan, 2019 has been updated in conjunction with a revised outcome-based LNA methodology for the GGH. These documents are in effect as of August 28, 2020. The key policies that are relevant to the City's E.L.S. include the following:





- **The Planning Horizon has been Extended to 2051** – The population and employment growth forecast horizon in Schedule 3 of the Growth Plan has now been extended to 2051. Within the G.G.H., the Growth Plan provides that the applicable time horizon for land-use planning is 2051.
- **The Forecasts in Schedule 3 of the Growth Plan are to be Treated as Minimums** – Lower forecasts for population, dwellings by type or employment are not permitted.
- **Higher Growth Forecast Alternatives are Permitted** – G.G.H. upper-tier and single-tier municipalities may establish higher growth forecasts through their respective M.C.R. exercise.
- **Major Transit Station Areas (M.T.S.A.s) in Provincially Significant Employment Zones (P.S.E.Z.)** – This policy amendment would allow conversions of Employment Areas identified as a P.S.E.Z. and located within an M.T.S.A., as delineated in an O.P., to occur before the next M.C.R.

The Growth Plan defines Employment Areas as “areas designated in an O.P. for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.”

There are several policies within the Growth Plan that are relevant to the City of Niagara Falls employment land supply analysis, including the following:

- **Promote Economic Competitiveness** – As per Growth Plan policy 2.2.5.1 a-d, economic competitiveness must be promoted through the efficient use of Employment Areas, ensuring sufficient land is available to accommodate forecast employment growth, to plan better connected areas, and to align land-use planning and economic development goals to attract and retain investment and employment.
- **Guidance on Transit and Active Transportation** – As per Growth Plan policy 2.2.5.4, when planning for employment, surface parking should be minimized and complemented by a built form that facilitates/supports active transportation networks and transit. In addition, as per Growth Plan policy 2.2.5.5, municipalities are required to identify and designate lands within settlement areas adjacent to or near major goods movement facilities and corridors including major highway interchanges.



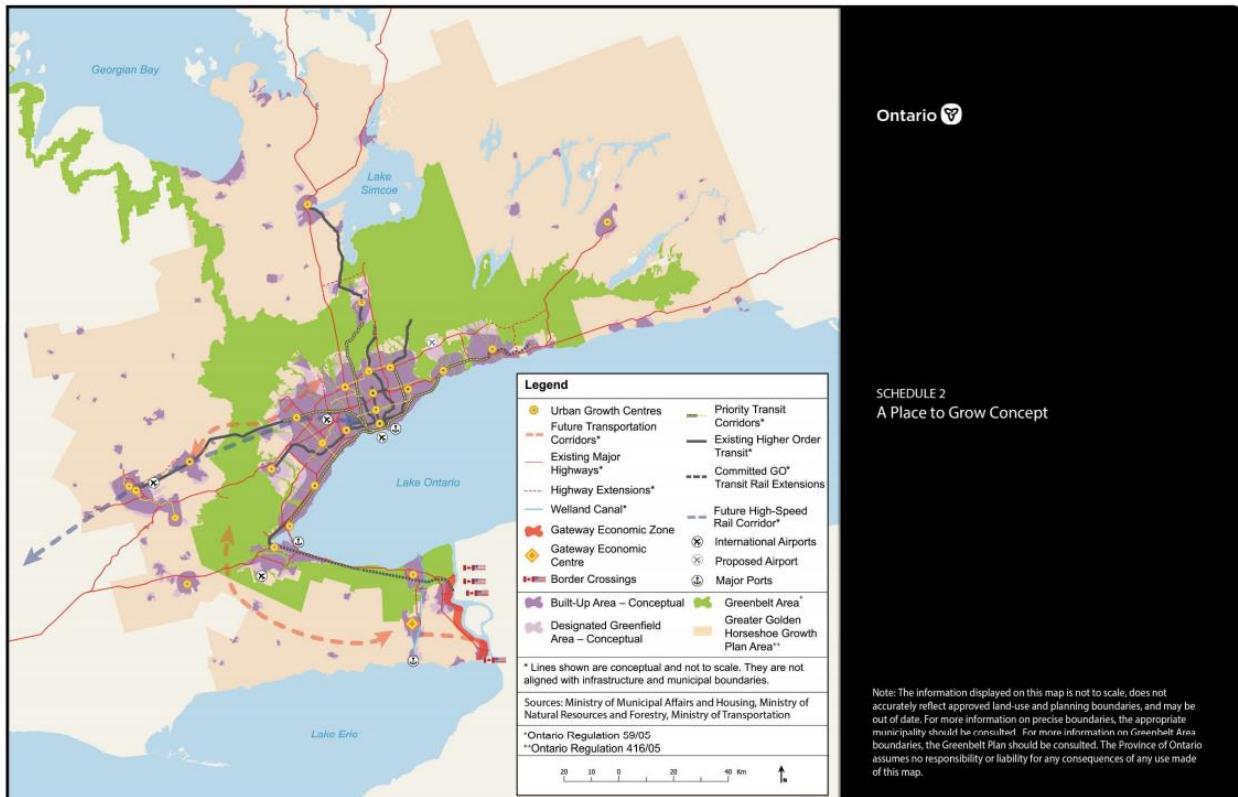
- **Restricting Employment Area Conversion** – The Growth Plan includes clarity on who can initiate an M.C.R. and flexible opportunities for conversion of Employment Areas. As per Growth Plan policy 2.2.5.9, conversions of Employment Areas in the City to non-employment uses may be permitted only through a Regionally-initiated M.C.R. As per Growth Plan policy 2.2.5.10, however, lands within an existing Employment Area may be converted to non-employment uses outside a Regionally-initiated M.C.R. where certain criterion can be met:
 - There is a demonstrated need for the conversion;
 - Proposed uses do not adversely affect the viability of the Employment Area, intensification/density targets, or other Growth Plan policies;
 - Proposed uses can be accommodated through existing or planned infrastructure;
 - The conversion must maintain a “significant number” of jobs on the subject lands; and
 - The lands will not be a part of a P.S.E.Z.
- The updated conversion policy does not identify who can initiate a request outside of an M.C.R. It is anticipated that the City, Region, or landowners will be able to request conversions at any time on an ongoing basis where the above-noted criterion can be satisfied.
- **Designating and Protecting Employment Areas** – As per Growth Plan policy 2.2.5.6, upper- and single-tier municipalities are to “designate all Employment Areas in their respective O.P. and protect them for appropriate employment uses over the long term.” In addition, as per policy 2.2.5.7, the Growth Plan requires that municipalities prohibit residential and limit other sensitive uses that are not ancillary to the primary employment use, prohibit major retail uses, and provide appropriate interface between employment and adjacent non-Employment Areas to maintain land-use compatibility.
- **Gateway Economic Zone** – As per Growth Plan Schedule 2 and policy 2.2.5.18, the economic importance of the Niagara-United States border is recognized through the Gateway Economic Zone; please see Figure 2-1 of this report. The Growth Plan defines the Gateway Economic Zone as “Settlement areas...that, due to their proximity to major international border crossings, have unique economic importance to the region and Ontario.” The purpose of the Gateway Economic Zone is to support economic diversity and promote increased opportunities for cross-border trade, movement of goods, and tourism.



- **Directing Office, Institutional and Retail Uses Generally Away from Employment Areas** – The Growth Plan includes stronger policy direction to protect existing industrial uses from non-compatible land uses. As per Growth Plan policy 2.2.5.8, the development of sensitive land uses, major retail uses, or major office uses will avoid any adverse impacts on industrial, manufacturing, or other similar uses. Where avoidance is not possible, appropriate mitigation measures must be in place.
- **Coordination** – The Growth Plan emphasizes the value of coordinated, multi-jurisdictional planning for transportation demand management and economic development for large areas that have a high concentration of employment. As per Growth Plan policy 2.2.5.17, the upper- and single-tier municipalities, the Province, and other appropriate stakeholders are encouraged to undertake a co-ordinated approach to planning for large areas with high concentrations of employment that cross municipal boundaries and are major trip generators.



Figure 2-1
Provincial Gateway Economic Zone



Guiding the policies mentioned above is Growth Plan policy 2.2.5.13, which requires municipalities to identify minimum density targets for all Employment Areas within settlement areas. In addition, Schedule 3 of the Growth Plan outlines the population and employment projections for the Region of Niagara. The previous employment forecast for the Region of Niagara identified a growth of 74,000 jobs between 2016 and 2041. The updated Schedule 3 employment forecast in the Growth Plan now displays slower employment growth than previously identified, with Niagara Region employment expected to increase by 81,000 jobs between 2016 and 2051. Table 2-1 illustrates the comparison of population and employment growth for the Region of Niagara in both of these forecast scenarios.



Table 2-1
Growth Plan Population and Employment Projections

	Existing		Forecast					
	Population	Employment	Population			Employment		
	2016	2016	2031	2041	2051	2031	2041	2051
Growth Plan 2019	459,000	191,000	543,000	610,000		235,000	265,000	
Growth Plan 2019, Amended 2020	459,000	191,000			674,000			272,000

2.1.4 Niagara Region Official Plan

The Region of Niagara's O.P., was approved by the Minister of Municipal Affairs in December 1994 and has undergone a number of amendments since this time to update the Plan to respond to changing provincial policy planning direction and other matters. The most recent consolidation of the Regional OP occurred in June 2014 and contains all amendments up to and inclusive of that date. The Regional OP guides growth and development within the Niagara Region.¹ The Regional O.P. establishes the Regional Structure and the Economic Gateway Employment Lands for the Niagara Region. The Economic Gateway Employment Lands are comprised of Gateway Economic Centres, Gateway Economic Zones, rural employment lands, and employment lands.

In the context of the City of Niagara Falls, the Gateway Economic Zone identified on Schedule G1 of the Regional O.P. and employment lands identified on Schedule G2 of the Regional O.P. are of relevance.

2.1.4.1 Gateway Economic Zones

Gateway Economic Zones are identified on Schedule G1 - Niagara Economic Gateway of the Regional O.P. – please refer to Figure 2-2 of this report. The Gateway Economic Zone includes all settlement areas within Niagara Falls, including the Queen Elizabeth Way (Q.E.W.) Corridor between Fort Erie and Niagara Falls. As per the Regional O.P., the Niagara Region is uniquely positioned within Ontario's economic market, being located adjacent to the United States (U.S.) border. The vision of the Niagara Economic Gateway employment lands is to attract investment and promote employment growth in strategic locations. The vision includes the transformation of vacant lands into a diversified mix of vibrant, attractively designed, accessible, and sustainable

¹ Regional O.P. is currently under review as part of the M.C.R. process to bring it into conformity with the Growth Plan, 2019. The review will include an analysis of how and where Niagara Region is growing.



Employment Areas. The Regional O.P. emphasizes that challenges related to the Niagara Economic Gateway should be addressed in a coordinated manner.

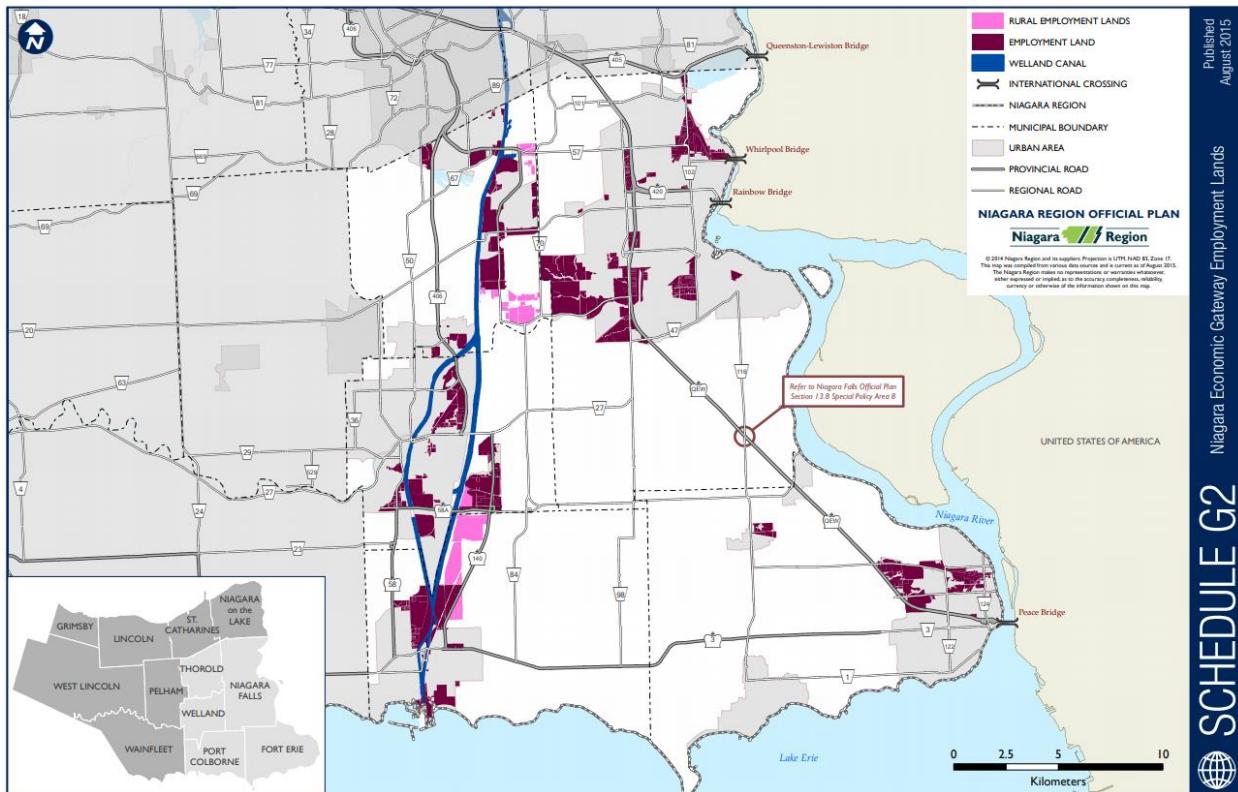
Section 3A outlines a variety of key policy directions for the Niagara Economic Gateway, including:

- Identifying the location of the Niagara Economic Gateway Zone;
- Encouraging local area municipalities to develop community improvement plans (C.I.P.s) in accordance with the Region's C.I.P. to maximize incentives and provide consistent opportunities for investment;
- Indicating that the Region supports the development and implementation of a Development Permit System in the Niagara Economic Gateway (now referred to as the Community Planning Permit System) to achieve the Region's goals, objectives, and policies of the Regional O.P. and local area municipal O.P.s;
- Identifying a Niagara Falls Priority Investment Area to capitalize on market opportunities for cross border trade by identifying a location for secure storage, warehousing and logistics facilities in close proximity to a border crossing;
- Recognizing the unique position the City of Niagara Falls has along the Q.E.W. and identifying a Q.E.W. Business Park to capitalize on long-term opportunities for businesses and services in close proximity to 400-series highways focusing on manufacturing, warehousing, and other Employment Area uses;
- Indicating that the Region will identify transportation and infrastructure improvements and upgrades required to support the Niagara Gateway Employment Lands Strategy;
- Directing municipalities to develop phasing strategies for vacant, unserviced Employment Areas;
- Supporting local municipal planning and economic development efforts through leadership and coordination;
- Discouraging the conversion of Employment Areas to non-employment uses;
- Aligning regional and municipal capital planning for new infrastructure and transportation with the Strategic Locations for Investment identified in Amendment RPPA 1-2012;
- Emphasizing that land-use compatibility within the Gateway Economic Zone and Centre is a primary focus of the Regional O.P.; and
- Indicating that the Region will monitor the implementation of the Gateway Economic Zone and Centre, and report on land development and job creation



within the Gateway. Every five years, the Region will undertake a review of the Gateway policies to assess growth, development, land budget, and policy implementation.

Figure 2-2
Niagara Economic Gateway Employment Lands



2.1.4.2 *Employment Areas*

Employment Areas are identified on Schedule G2 – Niagara Economic Gateway Employment Lands of the Regional O.P.; please refer to Figure 2-2 of this report. The Regional O.P. defines Employment Areas as lands that “are designated in an official plan for clusters of business and economic activities including, but not limited to, manufacturing, warehousing, offices, and associated retail and ancillary facilities.” Section 3 “Employment” and section 4 “Managing Growth” provide the policy direction for Employment Areas within the Niagara Region. Section 3C of the Regional O.P. outlines a number of key policy directions for Employment Areas, including:



- Indication that the main objective of the Employment Areas is to ensure economic competitiveness by:
 - Permitting an appropriate mix of industrial, commercial, and institutional uses within Employment Areas to meet long-term needs;
 - Maintaining a range and choice of suitable sites for employment uses to promote a diversified economic base, taking into account the needs of existing and future businesses;
 - Planning for the protection of Employment Areas;
 - Directing local O.P.s to include Employment Area conversion policies in accordance with Chapter 4.E of the Regional O.P.; and
 - Identifying the necessary infrastructure and services that are required to support current and forecast employment needs;
- A requirement for local municipalities to provide policies and designations to implement the Regional O.P., including the preservation of lands within Urban Areas that are adjacent to or in close proximity to existing major highway interchanges, ports or rail yards, as Employment Areas providing for manufacturing, warehousing, transportation, and associated retail, office, and ancillary employment uses, where appropriate;
- Management of land-use compatibility including requiring an analysis to assess any constraints relating to the introduction of new sensitive land uses that are proposed adjacent to or in proximity to Employment Areas; and
- Support for local and regional efforts to develop clusters of associated economic activities.

Section 4E of the Regional O.P. outlines a number of key policy directions for the conversion of Employment Areas, including:

- Identification of the requirements for a conversion of Employment Areas for non-employment uses to be considered only through an M.C.R. and that a decision of Regional Council to refuse applications or non-decisions is not subject to appeal to the Local Planning Appeal Tribunal (L.P.A.T.).¹

¹ Formerly referred to as the Ontario Municipal Board (O.M.B.).



2.1.5 City of Niagara Falls Official Plan

The City of Niagara Falls O.P. sets out land-use policies and permissions for all lands within the City. The Niagara Falls O.P. defines employment lands as:

an area of land designated for clusters of business and economic uses being: manufacturing, warehousing, office uses and retail uses associated with or facilities ancillary to them; and areas supporting opportunities for cross-border trade, movement of goods and tourism.

The City's Industrial Lands are comprised of lands within the Industrial designation, which are described in Part 2, section 8 of the Niagara Falls O.P.

Lands designated as Industrial on Schedule A: Future Land Use of the Niagara Falls O.P. are considered the City's employment lands, are the subject lands for this study, and are represented on Figure 2-3. The following highlights some key policies for lands designated Industrial.

2.1.5.1 Industrial Designation

Lands designated Industrial are intended to ensure that an adequate supply of land is available to provide opportunities for the expansion of existing industrial and the stimulation of new industrial growth. The policies promote infilling and redevelopment within established industrial districts within the Built-Up Area (B.U.A.), in addition to the development of lands within Designated Greenfield Areas (D.G.A.) for new industrial and employment uses. Figure 2-3 displays the City's industrial lands.

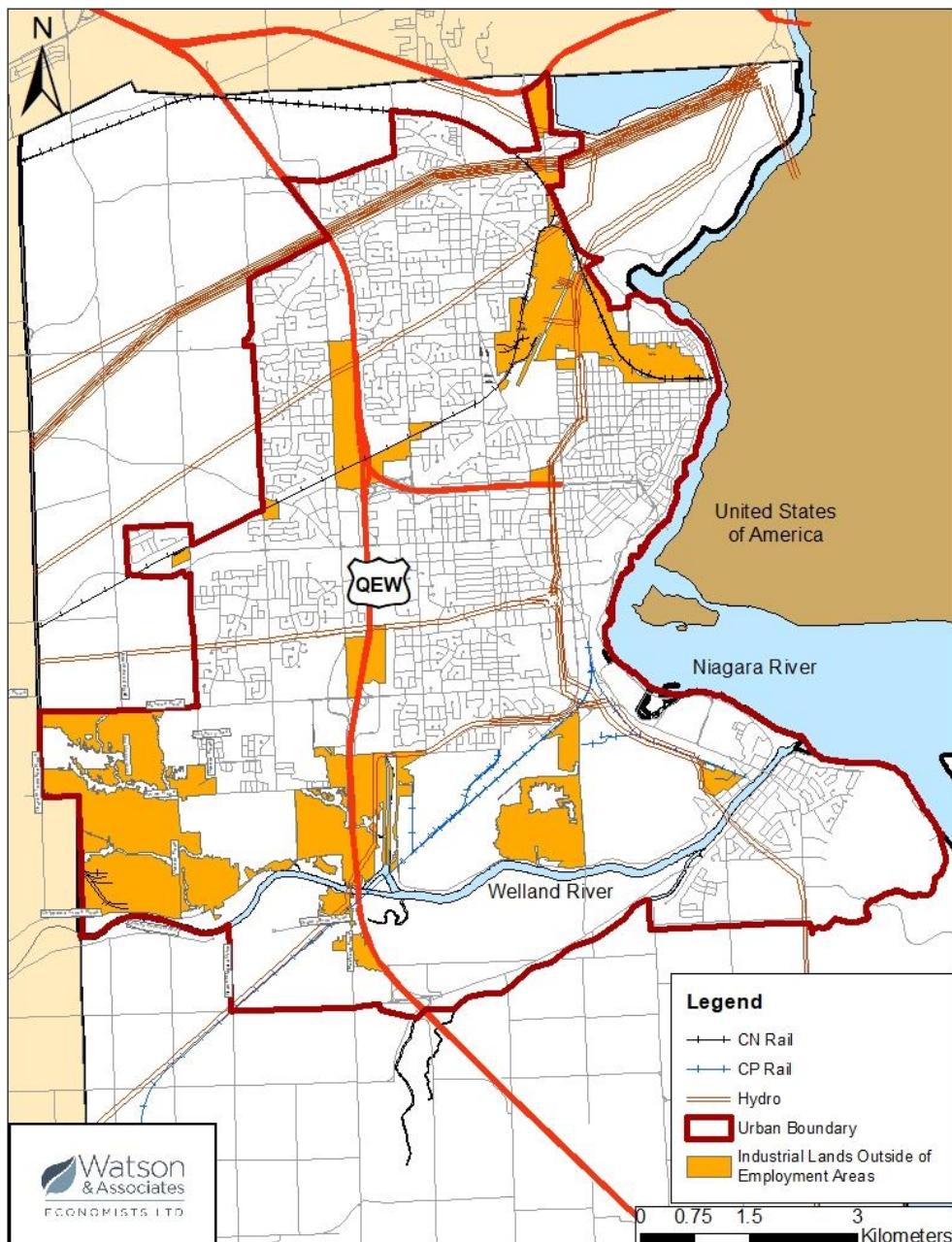
As per Niagara Falls O.P. policy 8.2, the primary uses permitted within the Industrial designation include manufacturing, assembly, fabricating, processing, reclaiming, recycling, warehousing, distribution, laboratory and research, and storage. In addition, all forms of service industries and utilities are permitted. Adult entertainment parlours and body-rub parlours are also permitted within the industrial designation, subject to other policies of the Niagara Falls O.P. Other uses that are permitted within the designation include:

- Ancillary uses to industrial operations including offices, retail and wholesale showrooms, and outlets for products produced on the premises;



- Commercial services such as, but not limited to, banks, restaurants, convenience retail outlets, material suppliers, which are incidental to the industrial district servicing industries and their personnel;
- Corporate and business offices; and
- Health and fitness facilities, conference centres, and private clubs.

Figure 2-3
City of Niagara Falls Industrial Lands





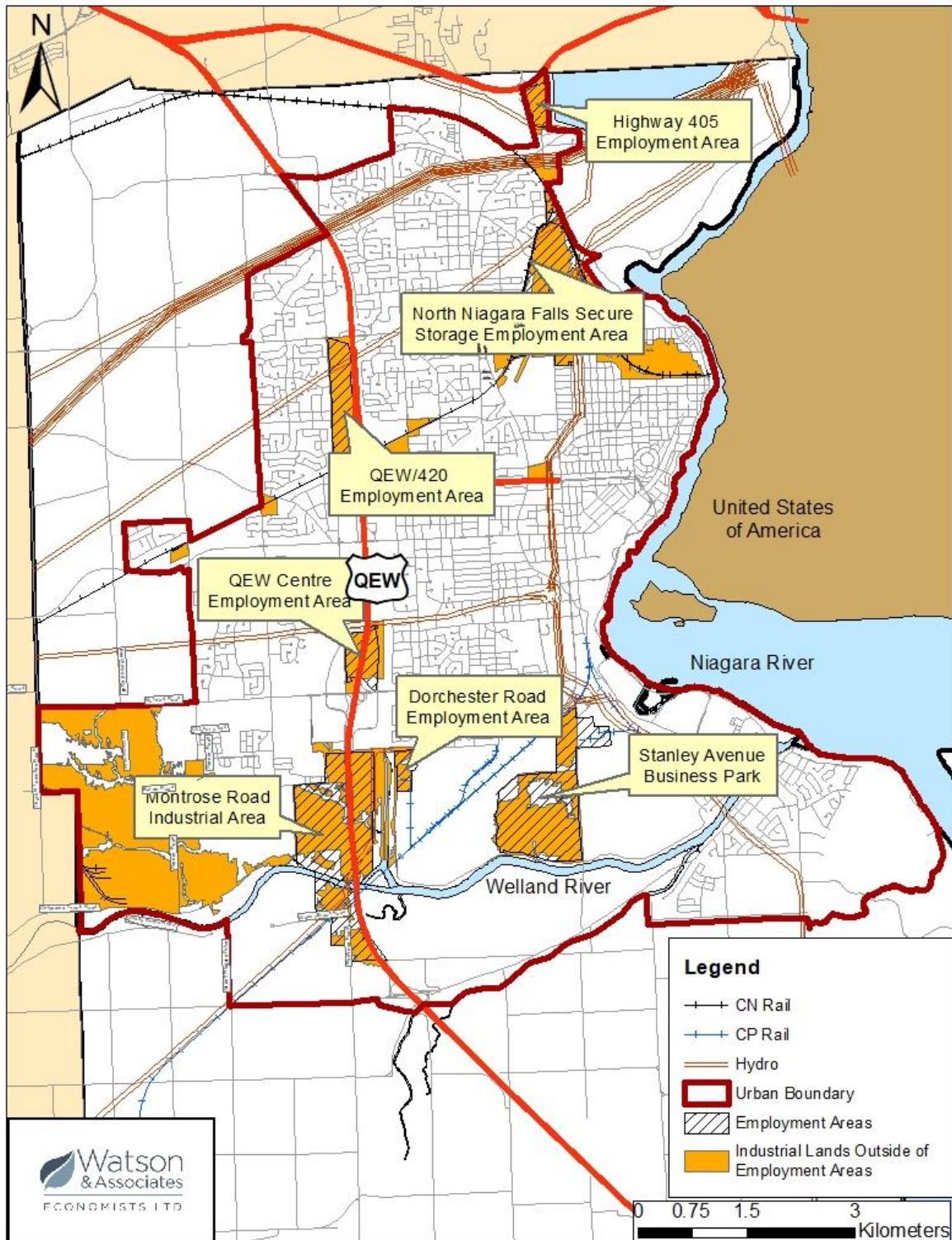
The Niagara Falls O.P. identifies several categories of industrial uses ranging from heavy to prestige use to be established in the zoning by-law. The O.P. established policies to guide the categories include clustering industries, minimizing land-use conflicts, and providing separation of uses wherever possible. The policies also recognize the importance of highway frontage and access for industrial uses. The Niagara Falls O.P. does not currently delineate Employment Areas. As such, the Employment Area boundaries established within this report have been provided by City of Niagara Falls staff in accordance with the draft Employment Area delineations established in the Niagara Region Employment Area Strategy Background Report, March 2020.

Figure 2-4 of this report provides an overview of the Employment Areas within the City, which include:

- Highway 405 Employment Area;
- North Niagara Falls Secure Storage Employment Area;
- Q.E.W./420 Employment Area;
- Q.E.W. Centre Employment Area;
- Dorchester Road Employment Area;
- Montrose Road Industrial Area; and
- Stanley Avenue Business Park.



Figure 2-4
City of Niagara Falls Employment Areas





Some of these Employment Areas include Special Policy Areas and the Transit Station Secondary Plan Area, which are delineated on Schedule A: Future Land Use, and Schedule A5: Transit Station Secondary Plan Area of the Niagara Falls O.P. The information below provides an overview of the Special Policy Areas and the Transit Station Secondary Plan Area as they apply to the respective Employment Areas:

- **North Niagara Falls Secure Storage Employment Area:**

- Special Policy Area “7” is located within the North Niagara Falls Secure Storage Employment Area. As per policy 13.7, the area is recognized as a regeneration area that will accommodate a mix of light industrial, service commercial, office uses and recreational facilities. In addition, a portion of the area is located within the Transit Station Secondary Plan. While the intent of the Niagara Falls O.P. is to continue the expansion of the existing general industrial businesses within the Special Policy Area, the long-term intent is to transition the area to light industrial, service commercial and tourist commercial uses. For the areas surrounding the Transit Station this means that transitioning heavy industrial uses towards lighter industrial uses will support the development of a greater mix of housing units in the area (Part 2, section 13, policy 13.7.2).
- Special Policy Area “62” is located within the North Niagara Falls Secure Storage Employment Area. As per policy 13.62.1.1, the intent for these lands is to support a broader range of employment activities including “light industrial; warehousing; office; laboratory and research facilities; automotive uses; service commercial uses such as restaurants, printing shops, fitness and recreation, convenience stores; and, institutional uses such as community centres, arenas, and churches.”
- Lands in and around this area also include stable residential neighbourhood. There may be an opportunity to explore some site-specific conversion opportunities where there is potential to address historic land use compatibility issues or advance opportunities for transit oriented development.

- **Montrose Road Industrial Area:**

- Special Policy Area “4” is located within the Montrose Road Industrial Area. As per policy 14.4, in addition to these lands being designated as



Industrial, these lands may be used to accommodate an existing camping establishment.

- **Stanley Avenue Business Park:**

- Special Policy Area “25” is located within the Stanley Avenue Business Park. As per policy 13.25, in addition to the Industrial designation, policies related to the Theme Park – Marineland designation apply. Permitted uses include office and service buildings ancillary to the Marineland operations.

It should be noted that the Industrial designation is not intended to serve a significant commercial function. As per policy 8.4.1, the rezoning of industrial lands for non-industrial uses is to be limited.

In addition, the O.P. recognizes the City’s natural features – Niagara Falls – and their location along the U.S. border, which make them a local and international tourist attraction and an employment generator for the City. The Niagara Falls O.P. Part 2, section 4, policy 4.1.4, recognizes the unique importance of the City’s Tourist Commercial Areas, and particularly the accommodation sector, in providing a source of employment for residents. Accordingly, the O.P. provides an additional level of protection to these lands, noting that they should be protected from conversion to a non-tourist commercial use through the application of the employment lands conversion policies set out in the O.P. When the City updates its commercial policies, it should consider the effectiveness of policy 4.1.4.

2.1.5.2 Urban Structure

The Niagara Falls O.P. outlines an Urban Structure Plan on Schedule A2. Lands designated Industrial fall within the following Urban Structure elements:

- Built-up Area;
- Node;
- Brownfield Pilot Project Area;
- Designated Greenfield Area; and
- Q.E.W. Employment Corridor.

The following provides a brief discussion on each of the Urban Structure Elements as it relates to lands designated Industrial, which are represented on Figure 2-5.



Built-up Area (B.U.A.)

Policies pertaining to the City's B.U.A. are delineated on Schedule A2: Urban Structure Plan of the Niagara Falls O.P.; please refer to Figure 2-5 of this report. Lands designated as B.U.A. are intended to provide for a mix of uses, including housing, commercial, parkland, and industrial. Part 2, section 8, policy 8.1 states that the City has a substantial supply of land available for industrial development within the B.U.A. The B.U.A. includes underutilized parcels along the Q.E.W. Employment Corridor. As per policy 8.8, the Q.E.W. Employment Corridor is identified as being well suited for the development of employment uses. As noted in section 8 of the Niagara Falls O.P. the intensification and redevelopment of these lands for industrial purposes is encouraged.

Node

The City has identified nodes as areas that have the potential to accommodate higher density development over the long term on Schedule A2: Urban Structure Plan of the Niagara Falls O.P.; please refer to Figure 2-5 of this report. Section 3 identifies the following nodes within the City of Niagara Falls:

- Downtown Node;
- Drummondville Node;
- Stamford Node; and
- Morrison/Dorchester Node.

As per Part 1, section 3, policy 3.10 of the Niagara Falls O.P., nodes are areas in which residential intensification is encouraged in order to regenerate and increase the vitality of existing commercial or industrial areas. Policy 3.10 states that the intent is not to dislocate and re-designate non-residential uses within these nodes but to promote the long-term compatibility between residential and non-residential uses within these areas. As such section 3 provides guidance on matters such as building height, vistas, streetscape, and heritage characteristics within nodes.

Brownfield Pilot Project Area

The Brownfield Pilot Project Area is designated on Schedule A2: Urban Structure Plan of the Niagara Falls O.P.; please refer to Figure 2-5 of this report. The Brownfield Pilot Project Area is partially located within the City's industrial lands along Stanley Avenue. The City established the Brownfields C.I.P. in 2006, which is referenced in Niagara Falls



O.P. Part 2, section 13, policy 13.7.1.8. The purpose of the C.I.P. is to establish a framework for incentive programs for brownfield remediation, rehabilitation, and adaptive reuse, as well as the overall improvement of brownfield areas.

Greenfield Area

Policies pertaining to the City's Greenfield Area are outlined in Part 2, section 8, policies 8.5 to 8.7 and delineated on Schedule A2: Urban Structure Plan of the Niagara Falls O.P.; please refer to Figure 2-5 of this report. Lands designated as Greenfield Area are intended to provide for industrial uses and to contribute to the creation of a complete community, while considering adequate separation distance between residential and other sensitive land uses and heavy industrial uses. Policy 8.6 states that land uses must be planned in accordance with the Ministry of Environment, Conservation, and Parks D6 Guidelines.

According to Niagara Falls O.P. policy 8.6, the following uses are permitted within the Greenfield Area:

- Offices;
- Government services, research, and training facilities;
- Facilities for the production of alternate energy sources;
- Prestige industrial uses, including research and development facilities, communications facilities, and manufacturing and processing of fully processed materials deemed not to be obnoxious by reason of dust, odour, fumes, particulate matter, noise and/or excessive vibrations;
- Commercial facilities such as, but not limited to, restaurants and material suppliers, which are incidental to the employment designation industries and their personnel; and
- Ancillary retail and service uses which shall not exceed 450 square metres (sq.m) (4,844 square feet (sq.ft.)) in gross floor area and only where internally integrated as a component of an employment use.

Q.E.W. Employment Corridor

Policies pertaining to the Q.E.W. Employment Corridor are outlined in Part 2, section 2, policy 8.8 of the Niagara Falls O.P. The Q.E.W. Employment Corridor within the City of Niagara Falls extends from south of Lundy's Lane to the interchange at Lyon's Creek



Road. The Q.E.W. Employment Corridor is delineated on Schedule A2: Urban Structure Plan of the Niagara Falls O.P. and identified as a location for industrial growth; please refer to Figure 2-5 of this report. The corridor includes a substantial amount of vacant greenfield land and underutilized parcels within the B.U.A. Due to the corridor's proximity to the U.S. border, it has potential to be a major economic player. As such, the sub-policies under policy 8.8 are directed to protect the lands along the corridor for long-term economic opportunities, including:

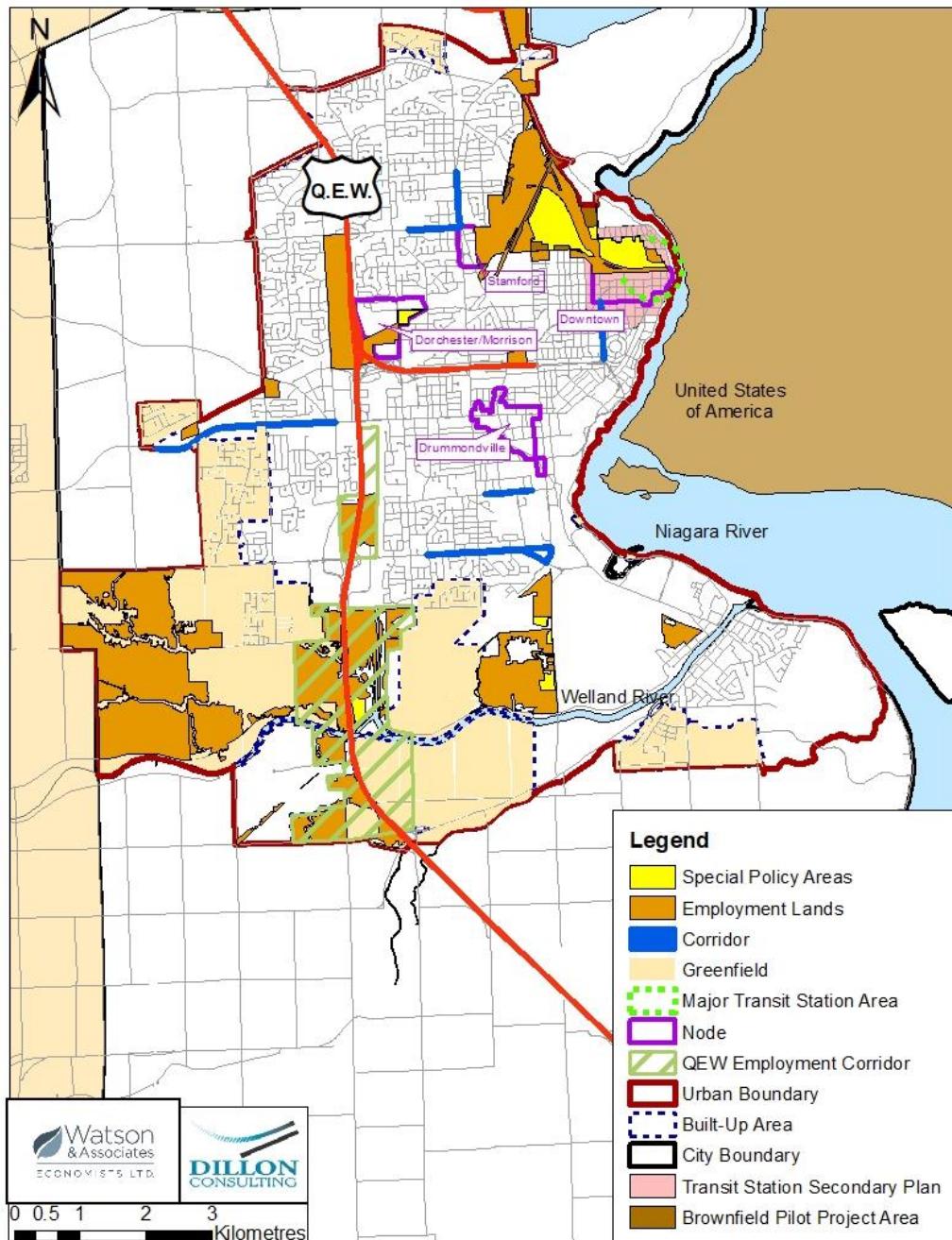
- Protecting the Q.E.W. Employment Corridor from conversion to, and encroachment from, non-employment uses;
- Setting the lands aside for manufacturing, warehousing, wholesaling, and logistics uses. Offices and large-scale institutional uses are also to be permitted as long as these uses require direct access to the Q.E.W.; and
- Permitting retail that is ancillary to the main industrial use at a maximum of 25% of the gross floor area of the main industrial use, but not exceeding 465 sq.m (5,005 sq.ft.).

Uses that do not require direct access to the Q.E.W. are prohibited, which includes automotive uses, service commercial including restaurants, printing shops, fitness and recreation, and convenience stores, among others.

In addition, lands that are located to the east side of the Q.E.W., south of the Welland River, are designated as Resort Commercial in the Official Plan, but are zoned General Industrial (GI) in the City's Zoning By-law. These lands may provide for employment uses, in accordance with the provisions of the GI zone, and are therefore included the Q.E.W. Employment Corridor. As per policy 8.8.7, however, further planning of the area is required to assess the types of uses that are appropriate for the area.



Figure 2-5
City of Niagara Urban Structure Plan





2.2 Summary of Policy Context and Gaps

The Niagara Falls O.P. was approved in 1993 and has undergone a number of amendments since this time to respond to provincial and regional policy directions. The most recent consolidation of the O.P. occurred in 2019 and includes all amendments up to April 2019 consolidated. The O.P. captures a variety of the provincial policy changes; however, recent changes to the provincial policies should be considered as part of future O.P. updates. In addition, the Regional O.P. is currently under review as part of the M.C.R. process to bring it into conformity with the Growth Plan, 2019. Once completed, the outcome of the M.C.R. process may have an impact on the City's employment lands. These potential changes to the regional policies should also be considered as part of future O.P. updates.

Based on current provincial and regional policies, potential provincial and regional gaps that the City may want to consider include:

- Designating the Niagara Economic Gateway on O.P. mapping;
- Protecting the long-term viability of existing industrial and manufacturing uses in instances where the encroachment of incompatible uses is not avoidable;
- Providing direction on what to do if the encroachment of sensitive land uses and existing industrial and manufacturing uses is not avoidable;
- Identifying industrial sites for strategic investment. While Niagara Falls O.P. Section 8 "Industrial" focuses on promoting industrial development, an opportunity exists to broaden the discussion by considering potential investment incentives for these areas;
- Identifying infrastructure and servicing required to support forecast employment growth;
- Promoting coordination between agencies and stakeholders in the context of industrial sites. An opportunity may exist to establish detailed plans for some of the City's employment lands;
- Ensuring urban design policies emphasize the need for appropriate transitions between industrial areas and adjacent non-Employment Areas;
- Potentially coordinating transportation initiatives (including active transportation initiatives) to industrial areas;
- Examining the impact of planning Employment Areas beyond a 25-year planning horizon on Employment Area conversions within the City; and



- Potentially exploring the implementation of a Community Planning Permit System for areas within the Niagara Falls Economic Gateway.

It should be noted that there are currently no P.S.E.Z. identified within the City of Niagara Falls.

The Regional O.P. and the Niagara Falls O.P. provide direction on the lands currently designated for employment within the Region, and these will form the basis of the employment land supply analysis.



Chapter 3

Macro and Regional Economic Trends and City of Niagara Falls Employment Conditions



3. Macro and Regional Economic Trends and City of Niagara Falls Employment Conditions

The following chapter provides a summary of the macro-economic trends influencing regional labour force and employment trends within Ontario, the Niagara Region, and the City of Niagara Falls over the past two decades. In examining the City's employment lands, it is essential to understand the broader influences and factors that affect the regional economy as a whole. This section briefly examines recent macro-economic trends influencing labour force and employment trends at all levels, including; internationally, nationally, provincially, sub-provincial area (G.G.H.) and regionally (Niagara Region).

3.1 Global Economic Trends and International Trade

Since being declared a pandemic by the World Health Organization (W.H.O.) on March 12, 2020, the economic impacts of coronavirus disease (COVID-19) on global economic output have been significant. Economic sectors such as travel and tourism, accommodation and food, manufacturing, and energy have been hit particularly hard. On the other hand, many other employment sectors (particularly knowledge-based sectors), which are more adaptable to the current remote work environment have been less negatively impacted, and in some cases have prospered.

Canada's gross domestic product (G.D.P.) declined by approximately 39% in the second quarter of 2020 (April to June) due to COVID-19. As restrictions gradually loosened during that period, beginning in May 2020, businesses came out of lockdown during the summer months and economic activity grew at a pace of 40.5% in the third quarter, although G.D.P. was still short of pre-pandemic levels.

Economic growth continued through the fourth quarter of 2020, increasing by 2.3% despite increased COVID-19 restrictions towards the end of November 2020. Despite this fourth quarter increase, real G.D.P. in 2020 declined overall by 5.4%. Heading into 2021, Canada's economy grew sharply by 6.5% in the first quarter, but due to the impacts of the third COVID-19 wave the April 2021, the Province-wide lockdown has weighed on economic activity in the second quarter of 2021. Given the relatively strong



economic performance leading up to April 2021, it is expected that economic setbacks due to the lockdown will be recouped as provincial restrictions continue to ease.^{1 2 3 4}

Overall, required modifications to social behavior (e.g., physical distancing) and increased work at home requirements, resulting from government-induced containment measures and increased health risks, have resulted in significant economic disruption largely related to changes in consumer demand and consumption patterns. Furthermore, continued tensions, logistical challenges and constraints related to international trade have also begun to raise further questions regarding the potential vulnerabilities of globalization and the structure of current global supply chains.

At present, the level of sustained economic impact related to this “exogenous shock” to the world and the Canadian economy is still relatively uncertain. While the prospects for a global recovery have improved in recent months, the pace of this global economic recovery has been uneven, largely due to the rate at which countries have been able to vaccinate their residents and contain the virus, particularly as it relates to new variants.⁵

Despite the challenges of COVID-19, the long-term economic and housing outlook for the G.G.H. remains positive as the region continues to be attractive to international investment and newcomers alike. While the housing market across the G.G.H. experienced a slow start in early 2020 due to COVID-19, pent-up demand and historically low mortgage rates have accelerated housing demand across the region with record sales and higher average selling prices.

For the Niagara Region, the COVID-19 pandemic has been a significant driver of housing demand, led by increased opportunities for remote work and the reconsideration by some Ontario residents to trade “city lifestyles” for “smaller town living.” It is recognized, however, that the longer-term population and employment

¹ Reuters Business News, August 28, 2020.

² CBC Business News, Canada’s economy bounced back at record 40% pace in third quarter – but GDP still below pre-COVID levels, December 1, 2020.

³ Ontario Newsroom, Office of the Premier, Ontario Declares Second Provincial Emergency to Address COVID-19 Crisis and Save Lives, January 12, 2021.

⁴ Reuters, Canadian Economy Seen Strong in First Quarter, But Impact of Third Wave Looms, April 20, 2021.

⁵ Global Government Forum. OECD Warns of Uneven Economic Recovery from COVID-19, Despite Global Growth. June 1, 2021.



growth potential for the Region will be heavily dependent on sustained economic growth potential of the broader economic region. As such, it is important not to overstate the near-term impacts of COVID-19 on housing demand in the Niagara Region over the long term.

Reduced immigration levels in 2020 and expected lower immigration levels in 2021 are anticipated to represent a drag on population growth potential within the larger urban centres of the G.G.H.¹ Tighter mortgage rules and local measures designed to curb market speculation may also temper demand in real-estate market as home buyers continue to face stiffer mortgage stress tests, and in some locations, taxation associated with vacant homes.^{2,3} The Governor of the Bank of Canada has also warned that home buyers who have overextended on their mortgages are vulnerable to rising interest rates when they must be renewed, and not to expect the rapid price increase to continue indefinitely.⁴

3.2 Planning within the Context of an Evolving National and Provincial Economic Outlook

3.2.1 Ontario Economic Outlook within the Canadian Context

The Ontario economy is facing significant structural changes. Over the past several decades, the provincial economic base, as measured by gross domestic product (G.D.P.) output, has shifted from the goods-producing sector (i.e. manufacturing and primary resources) to the services-producing sector. This has largely been driven by G.D.P. declines in the manufacturing sector which were accelerated as a result of the 2008/2009 global economic downturn but have more recently stabilized.

Over the past decade, the Ontario economy has experienced a steady rebound in economic activity since the 2008/2009 downturn; however, this recovery was relatively slow to materialize. That said, provincial G.D.P. levels have sharply rebounded since

¹ “Very difficult” to meet Canada's immigration targets after pandemic drop: immigration lawyer. CTV News. January 14, 2021.

² A Toronto Empty Homes Tax in Coming in January 2022. July 29, 2021. Zo’Casa

³ Canadian homes sales slipped 3% in July while average price fell to \$662,000. August 16, 2021. CBC.

⁴ CTV Business News, Mortgage stress tests set to tighten in wake of Bank of Canada warnings, May 20, 2021.



2013, as illustrated in Figure 3-1. This economic rebound has been partially driven by a gradual recovery in the manufacturing sector, fueled by a lower-valued Canadian dollar and the gradual strengthening of the U.S. economy.¹ Provincial G.D.P. growth is anticipated to ease from just over 2.2% in 2018 to approximately 1.7% by 2020, largely as a result of a tightening labour market and slowing global economic growth.² As illustrated in Figure 3-1, the Ontario economy is forecast to rebound by 5.5% in 2021 but is expected to slow down to 4.9% in 2022.

While the recent performance of the Ontario economy has remained relatively strong over the past several years through 2014 to early 2020, the COVID-19 pandemic poses significant risks to the national and provincial economies related to rising government, corporate and personal debt, inflationary pressures and supply disruptions that are important to recognize. Vaccine resistance among some segments of the population and the persistence of new COVID-19 variants also adds to uncertainty regarding the pace of the provincial economic recovery.³ The current pace of housing price appreciation across most areas of the Province also continues to pose a risk to the overall stability of the provincial economy. Recent sharp increases in housing prices across Ontario have contributed to record consumer debt loads and continue to erode housing affordability. Over the long term, the outlook for the Ontario housing market remains positive; however, it will be increasingly important for Ontario municipalities such as the Niagara Region to explore solutions to address affordable ownership and rental housing options that accommodate a wide range of residents by age and income.

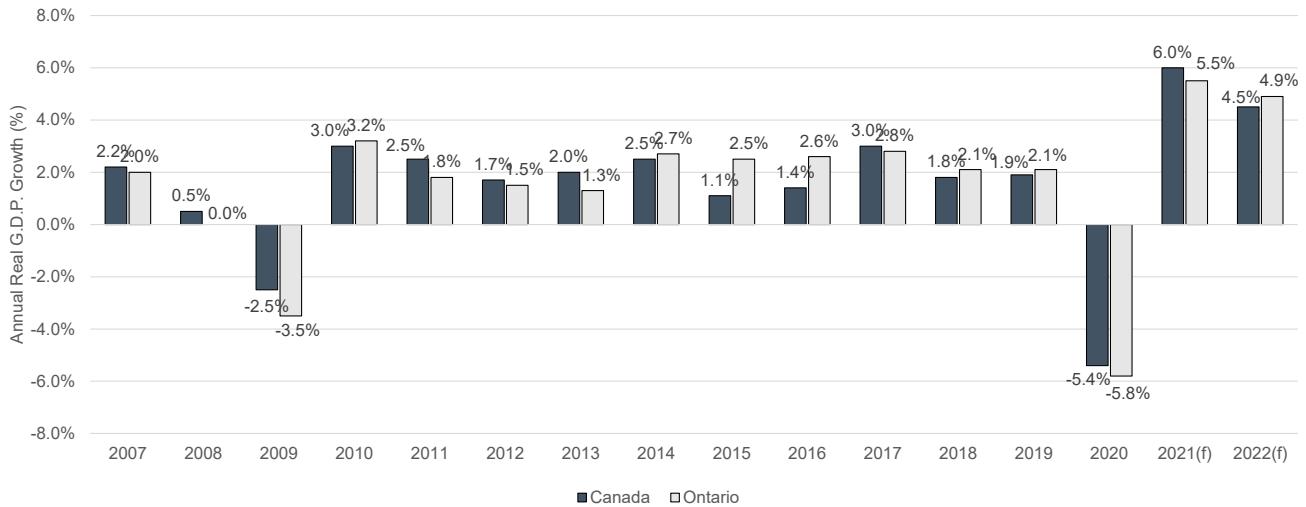
[1] Valued at approximately \$0.81 U.S. as of October 2021.

[2] BMO Provincial Outlook, Spring 2019.

[3] The Conference Board of Canada. Canadian Outlook. Booming Economy not without its Risks. July 6, 2021.



Figure 3-1
Annual Real G.D.P. Growth, Ontario and Canada
Historical (2007 to 2020), and Forecast (2021 to 2022)



Note: 2021 to 2022 are forecast by BMO Capital Markets Economics.

Source: Derived from BMO Capital Markets Economics, Provincial Economic Outlook, April 2021, by Watson & Associates Economists Ltd., 2021.

3.2.2 Emerging Industry Sector and Labour Force Trends

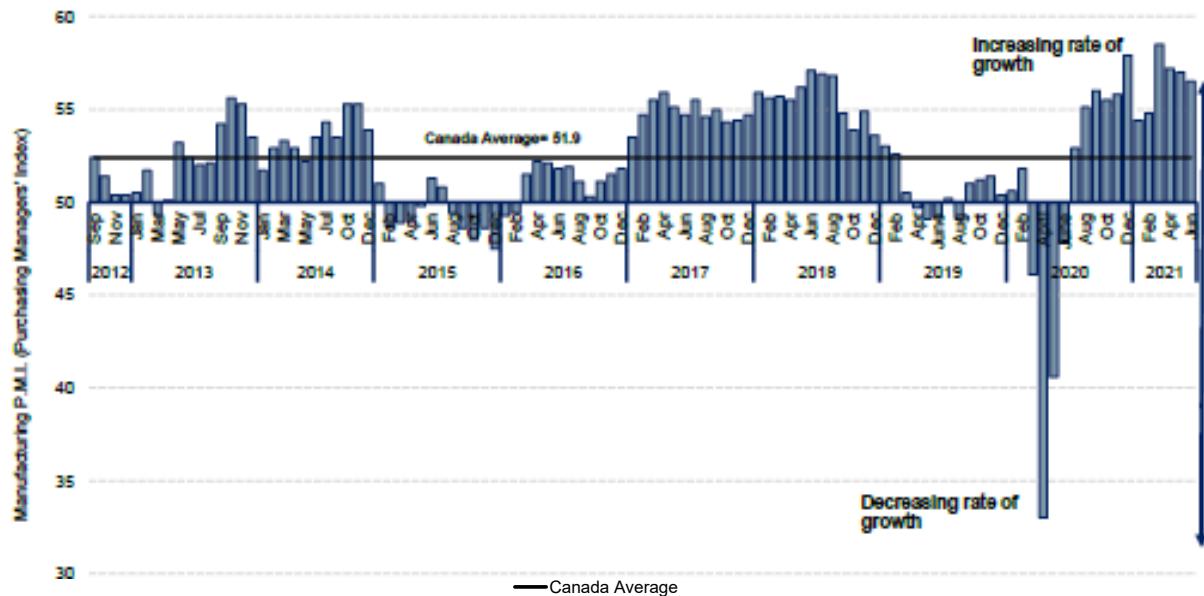
3.2.2.1 Outlook for the Manufacturing Sector

The Purchasing Managers' Index (P.M.I.) is a prevailing economic indicator for economic trends in the manufacturing and services sectors, which is based on the purchasing managers' market condition outlook and serves as a key measure of the direction of the manufacturing sector on a monthly basis. The P.M.I. index ranges between a number of 1 to 100. A P.M.I. value greater than 50 represents an expansion relative to the previous month, while a P.M.I. value less than 50 represents a contraction. Figure 3-2 summarizes the P.M.I. index for Canada between 2012 and 2020 (April). As illustrated in Figure 3-2, the P.M.I. index has largely exhibited moderate to strong expansion between 2012 and 2018, with the exception of 2015 and 2019 which experienced contractions. Also, 2013 and 2016 experienced periods of brief economic contraction. The P.M.I. index shows steep contractions at the beginning of March 2020 in manufacturing and services-sector activity due to the negative effects of coronavirus disease (COVID-19) on the global economy, international trade, and the general demand for goods and services. These conditions worsened into April 2020;



however, they showed signs of a moderate rebound in May and June and strong growth from August to June 2021.

Figure 3-2
Purchasing Managers' Index for Canada, 2001 to 2021 Y.T.D.



Note: Above 50.0 indicates growth from previous month, 50.0 indicates no change from previous month, and values below 50.0 indicate a decline from previous month.

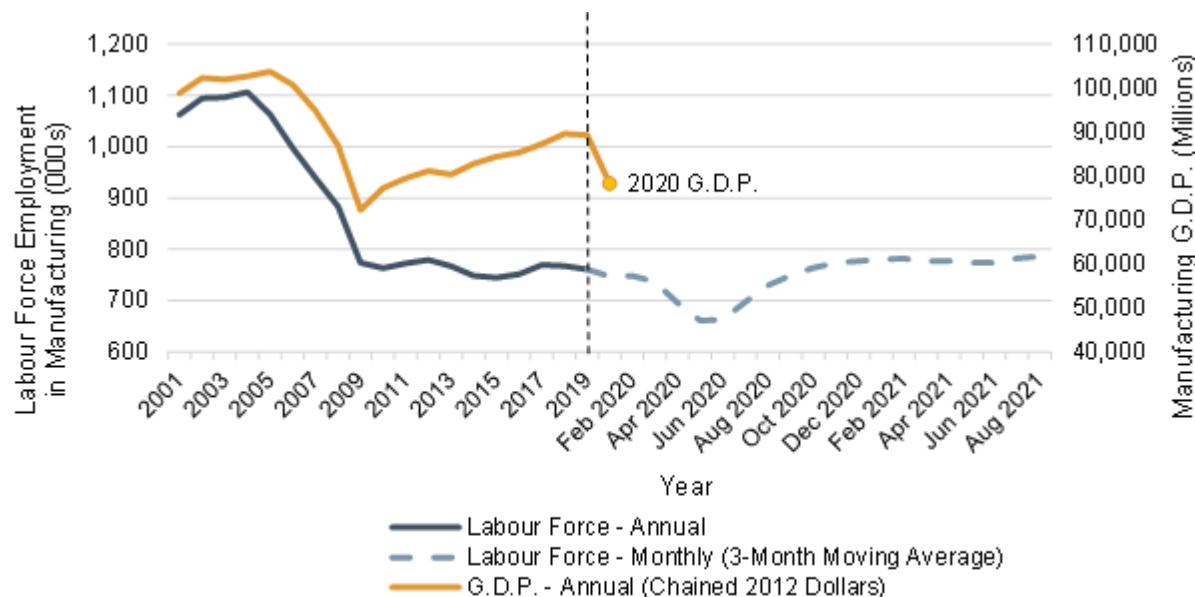
Source: HIS Markit Canada, Canada PMI Index, June 2012–June 2021 summarized by Watson & Associates Economists Ltd., 2021.

While manufacturing remains vitally important to the provincial economy with respect to jobs and economic output, this sector is not anticipated to generate a high rate of labour-force growth across the Province over the coming decades as globalization has led to increased outsourcing of manufacturing processes to overseas manufacturers. While there will continue to be a manufacturing focus in Ontario, the nature of industrial processes is rapidly shifting, becoming more capital/technology intensive and automated, with lower labour requirements. The highly competitive nature of the manufacturing sector will require production to be increasingly cost effective and value-added oriented, which bodes well for firms that are specialized and capital/technology intensive. As a result of increased efficiencies in the manufacturing sector, G.D.P. has increased relative to generally flat labour force trends as G.D.P. output per employee rises.



As summarized in Figure 3-3, the manufacturing sector in Ontario experienced significant declines between 2004 and 2009 with respect to labour force and G.D.P. Between 2009 and 2019, however, provincial labour force levels in the manufacturing sector stabilized while G.D.P. output steadily increased. While showing modest growth since 2016, labour force levels in the manufacturing sector declined in early 2020 due to the impacts of COVID-19 but have showed a steady rebound between June 2020 and August 2021.

Figure 3-3
Manufacturing Labour Force Employment and G.D.P. in Ontario, 2001 to 2021 Y.T.D.



3.2.2.2 Regional Labour Force Trends

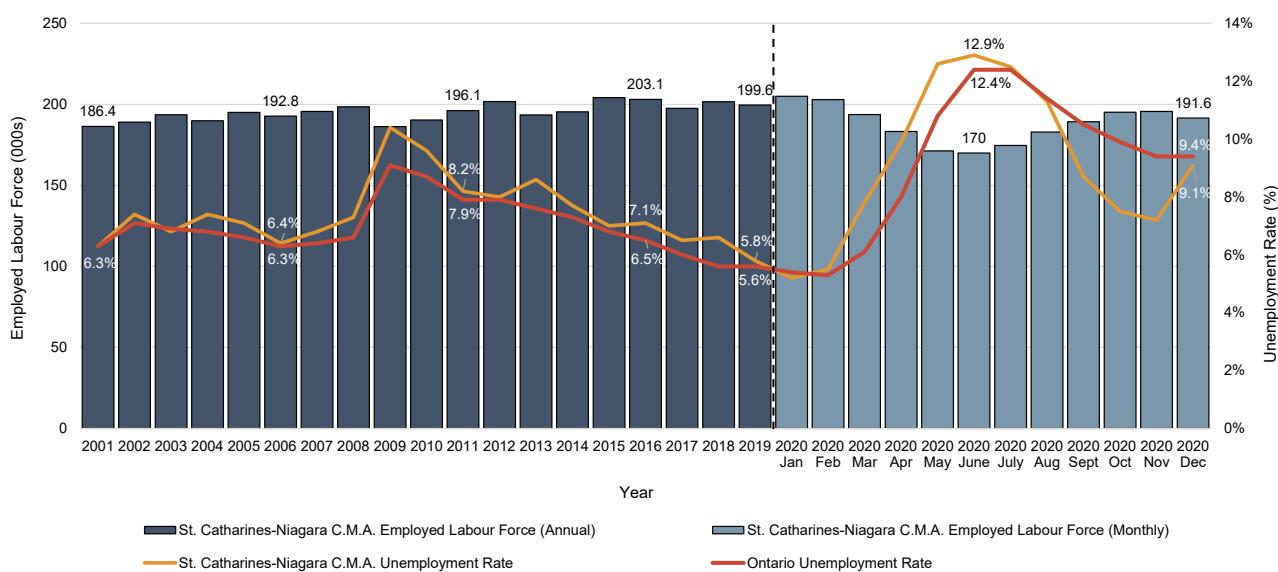
Figure 3-4 summarizes total labour force and unemployment rate trends for the St. Catharines-Niagara Census Metropolitan Area (C.M.A.). Labour force data is not available for Niagara Region post-2016, but it is captured in the broader St. Catharines-Niagara C.M.A. economic region. Key observations include the following:

- The total labour force within the St. Catharines-Niagara C.M.A. grew from 186,400 in 2001 to 199,600 in 2019, an increase of 13,200. From 2001 to 2016 the total labour force grew at a steady annual rate of 0.6%. Between 2016 and 2019, the labour force market slightly declined;



- Between 2001 and 2019, the unemployment rate in the St. Catharines-Niagara C.M.A. peaked at 10.4% in 2009, coinciding with the 2008 global recession, followed by a steady decline to a recent historical low of 5.8% in 2019; and
- Despite the strong recent historical performance of the St. Catharines-Niagara C.M.A. labour market, the unemployment rate peaked in June 2020 at 12.9% as a result of the COVID-19 pandemic.
- The unemployment has since declined, and as of December 2020, it has decreased to 9.1%. According to Statistics Canada, the unemployment increase due to the COVID-19 pandemic has been driven by temporary layoffs, indicating that much of the labour force is expected to return to their former place of work as restrictions are relaxed.¹

Figure 3-4
St. Catharines-Niagara C.M.A.
Total Labour Force and Unemployment Rate Trends, 2001 to 2020



Note: Statistics Canada Labour Force Survey and Census labour force statistics may differ.

Source: St. Catharines-Niagara Census Metropolitan Area (C.M.A.) employed labour force and unemployment rate from Statistics Canada Table 14-10-0096-01 and 14-10-0294-02. Province of Ontario unemployment rate from Statistics Canada Table 14-10-0090-01. By Watson & Associates Economists Ltd., 2020.

¹ Statistics Canada, The Daily, Labour Force Survey, April 2020.



3.3 Local Economic Trends and Growth Drivers within a Regional Context

This section examines labour force trends over the past 15 years in the City of Niagara Falls in relation to Niagara Region and the Province of Ontario. These trends are important to understand given the close relationship between regional labour force growth, net migration, and population growth.

3.3.1 Outward Growth Pressure

Niagara Falls is located in the southeast of one of the fastest growing Regions in North America, known as the G.G.H. This region comprises the municipalities that make up the G.T.H.A., as well as the surrounding Regions/Counties within Central Ontario, known as the G.G.H. “Outer Ring,” which extends from Haldimand County in the southwest to Simcoe County in the north, to Niagara Region in the southeast (refer to Map 3-1). The strength of the broader regional G.G.H. economy presents a key opportunity for the City of Niagara Falls economy and its residents within commuting distance to many of the growing regional employment markets within this region, particularly within the west G.G.H.

As identified in the Growth Plan, 2019 and Proposed Amendment 1 to A Place to Grow (2020), the long-term outlook for the G.G.H. is positive, characterized by strong population growth primarily through migration, fueled by economic growth that is increasingly concentrated in large urban centres.

The population of the G.G.H. is forecast to increase from 9.5 million in 2016 to 14.9 million in 2051.¹ This represents a population increase of 5.3 million people (153,000 annually), or 1.3% annually between 2016 and 2051. With respect to the region’s economic potential, the G.G.H. employment base is forecast to increase from 4.6 million in 2016 to 7 million in 2051. This represents an employment increase of 2.4 million jobs (69,000 annually), or 1.2% annually between 2016 and 2051. Currently, the G.G.H. represents the fourth largest and one of the fastest growing larger City/Regions in North America.

¹ As previously mentioned, proposed Amendment 1 to the Growth Plan extends the Schedule 3 forecast to 2051.



The G.G.H. represents the economic powerhouse of Ontario and the centre of a large portion of the economic activity in Canada. The G.G.H. is also economically diverse with most of the top 20 traded industry clusters throughout North America having a strong presence in this region. Within the G.G.H., the G.T.H.A. industrial and office commercial real estate markets are significant, having the third and sixth largest inventories, respectively, in North America.¹

With a robust economy and diverse mix of export-based employment sectors, the G.G.H. is highly attractive on an international level to new businesses and investors. The G.G.H. also has a strong appeal given the area's regional infrastructure (i.e. Toronto Pearson International Airport (T.P.I.A.), other regional airports, provincial highways, inter-modal facilities), access to labour force, post-secondary institutions, and proximity to the U.S. border. In turn, this continues to support steady population and housing growth within this region, largely driven by international and inter-provincial net migration to this region.

¹ Source: Derived from Cushman & Wakefield Toronto Industrial Market Beat and U.S. Industrial Market Beat Snapshot, Q3 2017, and Cushman & Wakefield Toronto Office Market Beat and U.S. Office Market Beat Snapshot, Q3 2017 by Watson & Associates Economists Ltd.



Map 3-1
City of Niagara Falls within the Context of the G.G.H.

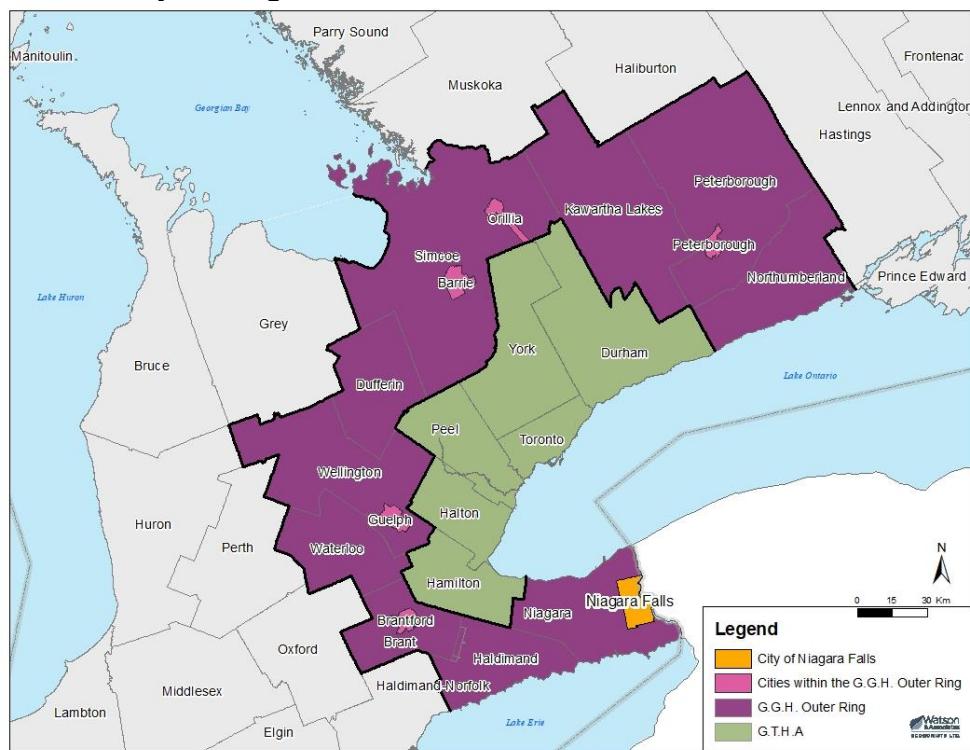


Figure 3-5 through Figure 3-7 summarize the long-term population employment growth forecast for the G.G.H. between the G.T.H.A. and the G.G.H. Outer Ring. Figure 3-5 identifies that the G.T.H.A. has historically experienced greater population and employment growth relative to the G.G.H. over the 2001 to 2016 period. Looking forward, forecast annual population and employment growth within the G.G.H. Outer Ring is anticipated to increase significantly, driven by continued outward growth pressure from the G.T.H.A. In fact, the forecast annual rate of employment growth in the G.G.H. Outer Ring is expected to exceed that of the G.T.H.A. between 2016 and 2051.



Figure 3-5
Historical and Forecast Population Growth for the Greater Golden Horseshoe (G.G.H.),
2001 to 2051

Area	Population			2001 to 2016		2016 to 2051	
	2001	2016	2051	Total Population Growth	Annual Population Growth	Total Population Growth	Annual Population Growth
G.T.H.A.	5,808,000	7,183,000	11,172,000	1,375,000	91,700	3,989,000	114,000
G.G.H. Outer Ring	2,046,000	2,355,000	3,703,000	309,000	20,600	1,348,000	38,500
Total G.G.H	7,854,000	9,538,000	14,875,000	1,684,000	112,300	5,337,000	152,500

Source: 2001 to 2016 derived from Statistics Canada Census. 2016 to 2051 derived from Greater Golden Horseshoe Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

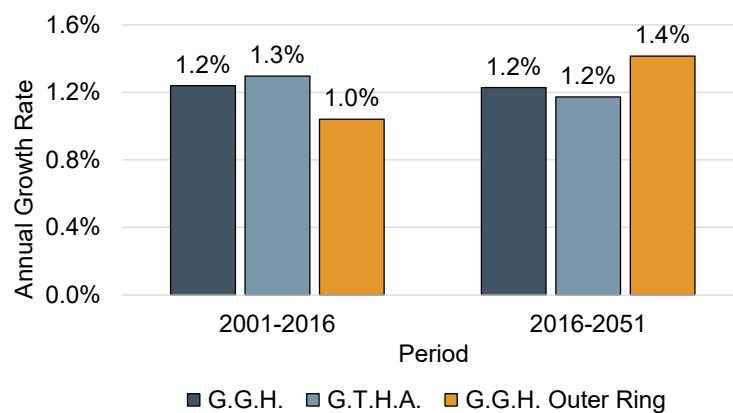
Note: Population includes the net Census undercount.

Figure 3-6
Historical and Forecast Employment Growth for the Greater Golden Horseshoe (G.G.H.), 2001 to 2051

Area	Employment			2001 to 2016		2016 to 2051	
	2001	2016	2051	Total Employment Growth	Annual Employment Growth	Total Employment Growth	Annual Employment Growth
G.T.H.A.	2,938,000	3,564,000	5,360,000	626,000	41,700	1,796,000	51,300
G.G.H. Outer Ring	890,000	1,034,000	1,650,000	144,000	9,600	616,000	17,600
Total G.G.H	3,828,000	4,598,000	7,010,000	770,000	51,300	2,412,000	68,900

Source: 2001 to 2016 derived from Statistics Canada Census. 2016 to 2051 derived from Greater Golden Horseshoe Growth Forecasts to 2051 Technical Report, June 16, 2020, Hemson Consulting Ltd. Figure by Watson & Associates Economists Ltd., 2020.

Figure 3-7
Historical and Forecast Annual Employment Growth Rate for the Greater Golden Horseshoe (G.G.H.), 2001 to 2051



Source: 2001 to 2016 derived from Statistics Canada Census data. 2016 to 2051 derived from Greater Golden Horseshoe Growth Forecasts to 2051 Technical Report, by Watson & Associates Economists Ltd., 2020.



As previously mentioned, the strength of the broader regional G.G.H. economy, in particular the G.G.H. Outer Ring, presents a significant opportunity for the Niagara Region economy and its residents within commuting distance to this growing regional employment market. As previously identified in Chapter 2, the population in the Niagara Region is expected to increase from 459,000 in 2016 to 674,000 in 2051, representing a growth of 215,000. Employment within the Niagara Region is also forecast to grow from 191,000 in 2016 to 272,000 in 2051, which is an increase of 81,000 jobs.¹

According to the 2016 Census, 94% of Niagara Falls residents work within Niagara Region, while the rest commute outside the Region for work. The G.T.H.A. represents the largest employment hub outside Niagara Region, as it employs 5% of Niagara Falls residents. With a relatively high live/work ratio within Niagara Region and a growing regional economy, it is anticipated that residents within the City of Niagara Falls will remain reliant on employment opportunities within the Region.

3.4 Regional Industrial Market Overview

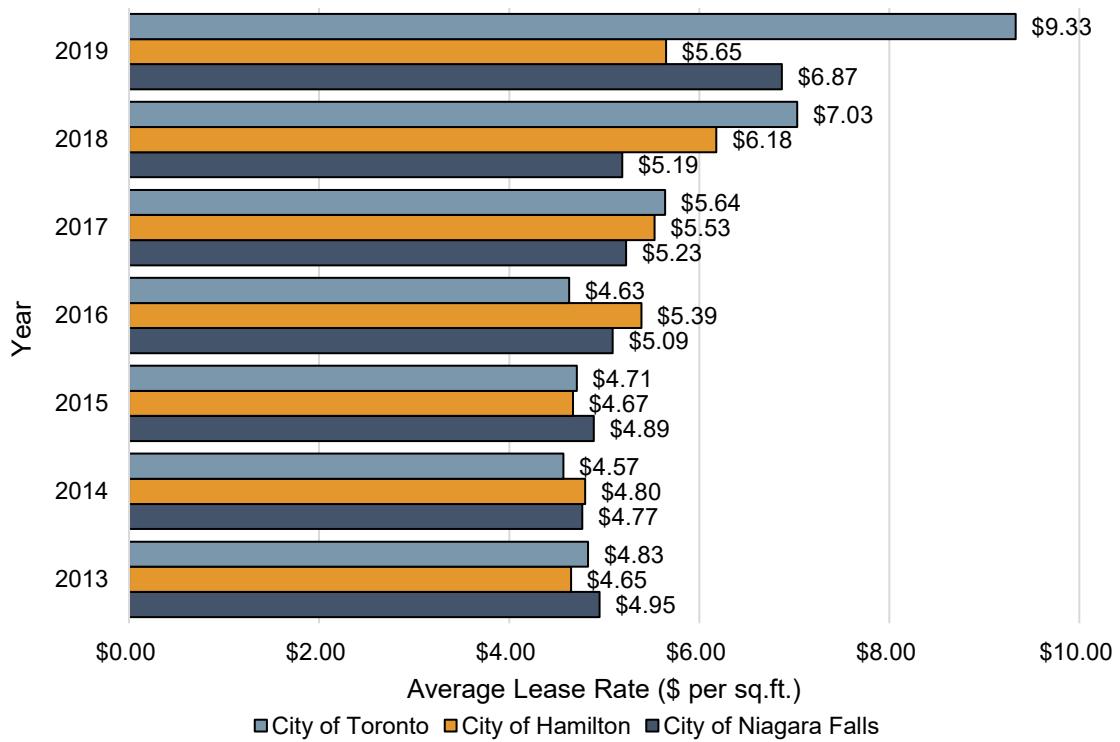
3.4.1 G.G.H. Industrial Lease Rates, 2013 to 2019

A key variable in understanding the relative strength of the industrial market is the net market rents for industrial space, typically expressed on a per sq.ft. of gross lease area on an annual lease basis and referred to as “net market rent.” Figure 3-8 summarizes the average market rent trends for industrial space in the City of Niagara Falls, City of Hamilton, and the City of Toronto. As shown, average industrial net market rents within the City of Niagara Falls are lower than the City of Toronto, but are similar to the City of Hamilton depending on the year. Relatively high prices in Niagara Falls are largely a result of diminishing lease opportunities throughout the City. As a result, the City of Niagara Falls may struggle to attract G.T.H.A. industrial renters looking to relocate, due to its relatively uncompetitive industrial lease rates compared to the City of Hamilton, which has the geographical advantage of being in closer proximity to the City of Toronto.

¹ In accordance with the reference scenario as per Proposed Amendment 1 to the Growth Plan, 2019.



Figure 3-8
Industrial Lease Rates (\$ per sq.ft.) in the G.G.H., 2013 to 2019



Source: Colliers Niagara Region Industrial Market Report, to August 31, 2019 and Colliers International Research, Altus RealNet. Derived by Watson & Associates Economists Ltd., 2020.

3.4.2 G.G.H. Employment Land Prices, 2019

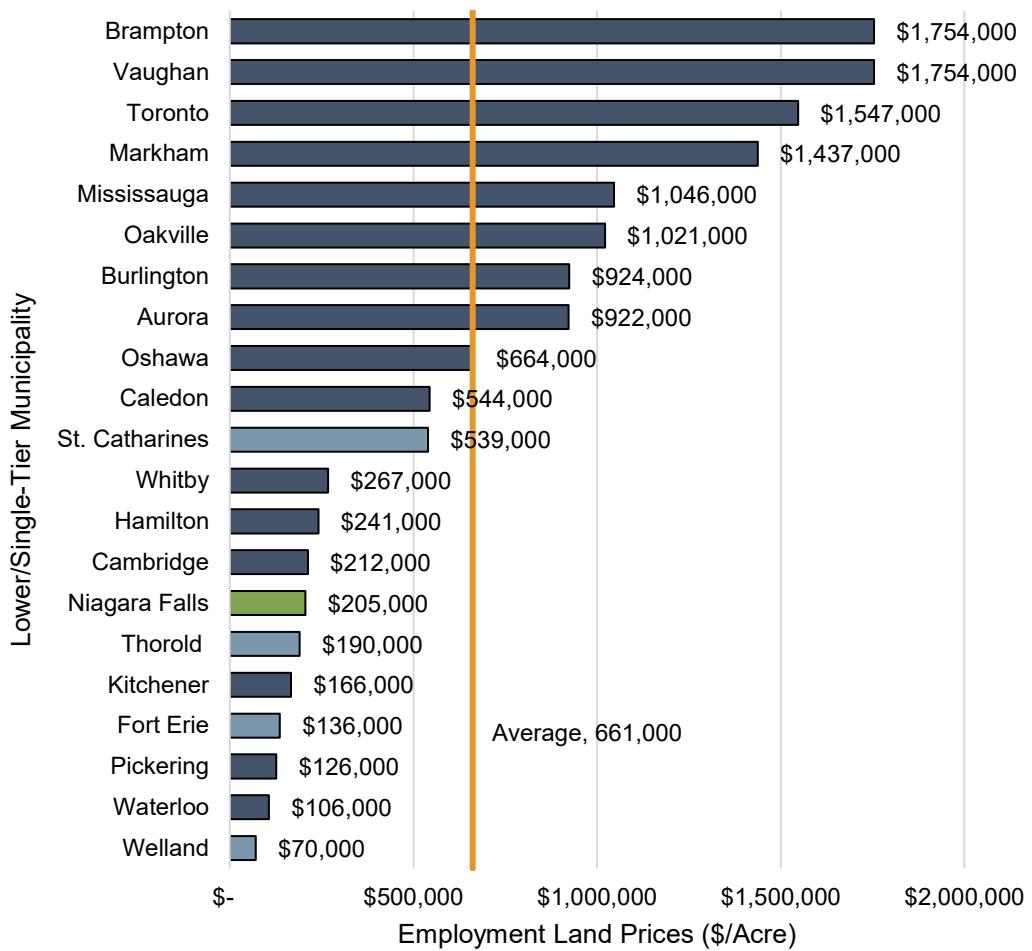
From a competitiveness perspective, lower employment land prices can provide a key advantage, especially for land-expansive uses such as transportation, wholesale trade/logistics, warehousing, and large-scale manufacturing. Though competitive land prices can provide an economic advantage in terms of the cost of development, very low land prices may also be indicative of low demand.

Figure 3-9 summarizes average employment land prices (\$ per acre) for select Niagara Region local municipalities and comparator municipalities in the G.G.H., based on recent market survey data. As shown, employment land prices range between \$70,000 and \$1,754,000 per acre, with land prices generally highest in the central, west, and north G.T.H.A. (City of Toronto, and York, Halton, and Peel Regions) and lowest in Niagara Region. With the exception of St. Catharines, employment land prices within the Niagara Region are significantly lower than those in the G.T.H.A. In contrast to relatively similar net market rents, Niagara Region offers affordable employment land for



purchase. This affordability is not necessarily indicative of stronger demand, especially from G.T.H.A. developers, since factors such as location and perceived development risk can impede employment land growth within Niagara Region.

Figure 3-9
G.G.H. Employment Land Prices, 2019



Source: Prices based on 2019 transactions. Data provided by Colliers International, derived by Watson & Associates Economists Ltd., 2020.

3.5 City of Niagara Falls Employment and Occupation Trends

The following subsection details employment growth trends and occupation outlook for the City of Niagara Falls. Further detail regarding the City's historical employment



growth trends, educational attainment and business environment can be found in Appendix A.

3.5.1 City of Niagara Falls Employment Growth, 2016 to 2020

Figure 3-10 summarizes total job growth by industry from the 2016 to 2020 period. Key insights are described below:

- Niagara Falls experienced a total growth rate in jobs of 3.8% (net increase of approximately 1,720 jobs) from 2016 to 2020 or an average annual employment increase of 1.1%, similar to that witnessed across Niagara Region. Jobs in Niagara Region increased by 4.3% (net increase of approximately 8,970 jobs) from 208,760 jobs in 2016 to 217,730 jobs in 2020 or an average annual increase of 1.1%.
- The following sectors experienced the largest employment increase:
 - Accommodation and food services – increase of approximately 850 jobs (net increase of 7%);
 - Transportation and warehousing – increase of approximately 390 jobs (net increase of 32%); and
 - Construction – increase of approximately 320 jobs (net increase of 11%).
- Professional, scientific, and technical services and manufacturing have also experienced employment growth in recent years; and
- Arts, entertainment, and recreation, finance and insurance, educational services and information and cultural industries experienced a decline in jobs from 2016 to 2020.

Figure 3-10
City of Niagara Falls Job Growth by Sector, 2016 to 2020

Industry (NAICS)	Jobs		Job Change 2016-2020	
	2016	2020	Net Change	% Change
Total Jobs by Industry	45,379	47,103	1,723	4%
Accommodation and food services	11,910	12,758	848	7%
Transportation and warehousing	1,237	1,628	391	32%
Construction	2,807	3,127	320	11%
Professional, scientific, and technical services	1,504	1,802	298	20%
Manufacturing	2,389	2,684	295	12%
Admin & support, waste management & remediation services	2,424	2,708	284	12%
Retail trade	5,331	5,470	139	3%



Industry (NAICS)	Jobs		Job Change 2016-2020	
	2016	2020	Net Change	% Change
Other services (except public administration)	1,833	1,919	86	5%
Health care and social assistance	4,015	4,084	69	2%
Wholesale trade	1,400	1,461	61	4%
Agriculture, forestry, fishing, and hunting	166	164	(2)	-1%
Mining, quarrying, and oil and gas extraction	60	54	(5)	-9%
Management of companies and enterprises	82	33	(49)	-60%
Utilities	361	287	(74)	-21%
Information and cultural industries	364	289	(75)	-21%
Public administration	1,756	1,647	(109)	-6%
Arts, entertainment, and recreation	4,777	4,631	(146)	-3%
Real estate and rental and leasing	662	515	(146)	-22%
Finance and insurance	751	569	(182)	-24%
Educational services	1,551	1,272	(279)	-18%

Source: EMSI Analyst, 2020.

3.5.2 City of Niagara Falls Occupation Outlook, 2020 to 2026

The Niagara Falls economy is characterized by a strong tourism sector, as evidenced by the employment in tourism and culture and related support service industries, including arts, entertainment, recreation, accommodation, and food services, and retail. The prevalence of the service industry as it relates to the tourism sector provides the city with the opportunity to capitalize on a variety of trends, including the growth of culinary tourism, cultural tourism and a growing number of artisan food, craft brewers and wineries. It also provides for employment that can be satisfied by a broad range of age groups and skills development. The resurgence of the tourism and hospitality sector post COVID-19 will support the demand for a labour force capable of participating in these sectors.

Occupational projections to 2026 suggest the continued demand for workers that support the hospitality, tourism and retail sectors. These include food counter attendants, kitchen helpers, cooks, retail salespersons, amusement, recreation and sport operators and attendants and supervisors in accommodation, travel, tourism, and related services.



3.6 Local Drivers and Disruptors of Future Growth in the City of Niagara Falls

This section explores growth drivers and disruptors for the City of Niagara Falls from a regional and local perspective. A broad range of considerations related to demographics, economics, socio-economic and infrastructure are anticipated to drive future economic and population growth in the City of Niagara Falls over the next several decades.

3.6.1 *Outward Growth Pressure within the G.G.H.*

As discussed previously, Niagara Falls is located within one of the fastest growing Cities/Regions in North America, the G.G.H. The magnitude and distribution of growth throughout the G.G.H. is of key significance to Niagara Region and the City of Niagara Falls. More specifically, as the more mature areas of the G.G.H. gradually build out, increasing outward growth pressure will be placed on the outlying municipalities of the G.G.H. “Outer Ring,” and beyond.

For Niagara Falls this outward growth pressure is anticipated to be most heavily felt from the west G.T.H.A. Strong net migration levels, primarily from the Toronto and Hamilton C.M.A.s, will continue to drive housing growth across the City with demand across a broad range of housing typologies.¹ In turn, population growth will also continue to drive growth in population-related employment sectors including retail, personal services, business services, and health and social services.

The bulk of these new residents coming to the Niagara Region in the 19-54 age category will ultimately seek competitively priced ground-oriented housing forms (i.e. low- and medium-density) to accommodate existing and future families. In comparison to the municipalities in the G.T.H.A., average housing prices in Niagara Falls are lower and more affordable relative to local income. As such, relatively greater housing affordability in Niagara Falls compared to the west G.T.H.A. represents a key driver of net migration to the City. It is noted, however, that as housing prices continue to steadily rise across the G.G.H., including the City of Niagara Falls, an increasing

¹ Over half of all intraprovincial migration to the St. Catharines-Niagara C.M.A. came from the Toronto and Hamilton C.M.A.s.



proportion of the population in the City will need to be accommodated in various forms of high-density housing (i.e. walk-up apartments, triplexes, and low-rise apartments).

It is also important to recognize that the accommodation of skilled labour and the attraction of new businesses are inextricably linked and positively reinforce one another. To ensure that economic growth is not constrained by future labour shortages, continued efforts will be required by both the Regional government and the City of Niagara Falls to explore ways to attract and accommodate new skilled working residents to the City across a diverse range of employment opportunities and a broader choice of affordable housing options. Attraction efforts must also be linked to housing accommodation (both ownership and rental), municipal services, and infrastructure, as well as quality of life attributes which appeal to the younger mobile population, while not detracting from the region's attractiveness to older population segments.

As with other hard services, broadband infrastructure investment is essential to economic growth particularly if the City wishes to attract technology-based employment or support existing businesses and entrepreneurs with a need for reliable internet. The South Western Integrated Fibre Technology (SWIFT) initiative is a key project that will ensure that Western Ontario and Niagara Region has access to a high-speed fibre optic Internet network. A \$21.2 million broadband investment in early 2021 will ensure broadband connectivity to 5,629 households and businesses in the Niagara Region.¹ As part of the project, SWIFT has awarded the Niagara Regional Broadband Network Limited (NRBN) \$5 million to provide high-speed connectivity to 626 households and businesses by late-2022.² NRBN is municipally owned by Niagara Falls and Niagara on the Lake.³

3.6.2 Geographic Location

Location plays a key role in the geographic distribution of the dominant industry clusters visible across Ontario today. In addition to its proximity to the G.T.H.A. and close access to the U.S. border, the City benefits from its location along the Q.E.W., which serves as a major trade corridor and links major urban centres in Ontario. With the development of the Niagara Falls GO Transit station expected to be completed by 2023,

¹ <https://swiftruralbroadband.ca/swift-announces-21m-broadband-expansion-plan-for-niagara-region/>

² Ibid.

³ <https://nrbn.ca/>



the City will increasingly accommodate residents commuting to the G.T.H.A. for work. The City will also remain an attractive location for those Canadian residents seeking work in the Buffalo, New York, employment market. With close access to the U.S. border, the City stands to capture broad economic opportunities by increasing the capacity for trade and investment across Canada and the U.S. Many of the City's Employment Areas are located in close proximity to the Q.E.W. and the U.S. border.

3.6.3 *Regional Economic Opportunities*

Export-based economic growth throughout the local and surrounding regional economy will continue to generate demand for new housing within the City of Niagara Falls. New housing construction and associated local population growth is anticipated to generate demand for local industries within the City related to the construction sector as well as population-related employment sectors such as retail, accommodation, and food, plus other personal service uses. Other local "knowledge-based" and "creative class" employment sectors such as information and cultural industries, arts, entertainment, and recreation, and professional, scientific and technical services are also beginning to experience moderate employment growth. Population growth combined with the aging of the existing population base will also place increasing demands on employment sectors and municipal services related to the growing population base of seniors, primarily related to the health care and social assistance sector.

The local economic base is also oriented towards small businesses and home-based occupations. Such businesses act as incubators for local economic development and stimulate innovation and entrepreneurialism within the City. Home-based job growth will be facilitated by opportunities related to telecommuting and increased technology. Demographics also play a role in the employment outlook for work at home employment. As the population and labour force continue to age, it is likely that an increased number of working and semi-retired residents will be seeking lifestyles that will allow them to work from home on a full-time or part-time basis.

In addition to its broader impacts on the economy, COVID-19 is also anticipated to accelerate changes in work and commerce as a result of technological disruptions which were already in play prior to the pandemic. As such, enterprises will increasingly be required to rethink the way they conduct business with an increased emphasis on remote work enabled by technologies such as virtual private networks (V.P.N.s), virtual meetings, cloud technology and other remote work collaboration tools. These trends



are anticipated to have a direct influence on commercial and industrial real estate needs over both the near and longer terms. The City is making targeted investments, including the South Western Integrated Fibre Technology (SWIFT) initiative and ownership of the Niagara Regional Broadband Network (NRBN), to ensure that the community has increased access to broadband adoption and can capitalise on these technology-based trends.

These identified trends are anticipated to place increasing pressure for urban amenities, including municipal infrastructure, programs, and services, as well as increased options for shopping and entertainment. In turn, such growth pressures are anticipated to drive the need for future population-related employment services, placing demands on the local labour force as well as the housing market to support this growing local population and employment base.

3.6.4 Innovation Landscape in the Niagara Region – Enabling Assets

The following list of assets has been developed through the documentation provided by the City of Niagara Falls, the business directory, and independent research. The database provided below is not exhaustive and is meant to illustrate the breadth of the innovation support system for the Region and the City.

Similar to the broader national and provincial trends, the City of Niagara Falls is undergoing a rapid transformation from traditional economies to one that is centred on technology-based development with a demand for knowledge-based industries. In fact, one of the core pillars identified within the City's 2018 Economic Diversification Strategy was the creation of Niagara Falls as a "magnet city," that draws new people, investment, and business activity due to a combination of strong lifestyle, environmental, and economic attributes. The attraction of "young wealth creators" and the "cultivation of new ideas" formed underlying principles of this document and will continue to influence priority development moving forward.

Supporting the demand for knowledge and technology-based sectors, the Niagara Region is home to a significant number of business incubators, business accelerators and business support services. Given the rise of the "Digital Age", connectivity is essential to a community's long term economic growth. The City of Niagara Falls has recognized this need and is taking targeted steps to ensure its broad innovation ecosystem is supported by reliable broadband infrastructure. This includes participation



in the South Western Integrated Fibre Technology (SWIFT) initiative and the formation of the Niagara Regional Broadband Network (NRBN) to ensure a high-speed fibre optic internet network across the city, including rural and remote areas.

The list below highlights some of the most relevant actors within the innovation landscape in the Niagara Region. Although the majority of these serve the broader Regional Municipality, the location of these innovation elements is concentrated in two areas, namely, the City of St. Catharines and the City of Niagara Falls.

Incubators, Accelerators, and Innovation Support Services

Brock University's Learning, Innovation, Networking, and Collaboration (L.I.N.C.)

(L.I.N.C.) resides at the intersection of Brock's experiential education and trans-disciplinary research. The LINC is a shared space located in the new Rankin Family Pavilion, with a diverse community that crosses all disciplines, faculties and the private sector – a place for “collisions” of bright minds where students, alumni, researchers, and regional innovators are encouraged to interact.

Brock-Niagara Validation, Prototyping and Manufacturing Institute (V.P.M.I.)

Funding was also announced for Brock University to establish this institute. The VPMI will be a single-site resource to help businesses in the growing bioproducts, bioscience, bio-agriculture, and chemical manufacturing sectors to scale up and increase their competitiveness.

Business Innovation Zone (B.I.Z.) Program is run by the City of Niagara Falls and helps nurture entrepreneurial companies to grow and prosper by providing the education and support young businesses need.

The **Canadian Food & Wine Institute (C.F.W.I.)** is Canada's only commercial Teaching Winery, and vineyards give students a hands-on curriculum and an in-depth knowledge that sets graduates on the road to employment or entrepreneurship.

The **COMMIS Culinary Workspace** is a co-working space for food entrepreneurs, chefs, and artisans all working to bring products to market in the Niagara Region.

The **Generator at One** serves as a catalyst for interactive digital media growth in Niagara. The vision of this organization is to create a nurturing environment for interactive digital media (I.D.M.) for companies, researchers, and students.

Greenhouse Technology Network (G.T.N.) In 2019, federal funding was announced for Niagara College in collaboration with Vineland Research and Innovation Centre and the University of Guelph to develop this network. The network will bring together greenhouse growers and technology experts to accelerate the development, commercialization, and adoption of new, leading-edge greenhouse technologies.

iHub is a dynamic incubation entity focused on the Educational Technology (EdTech) sector. iHub facilitates collaboration with educators, students, parents, researchers, industry leaders, and iHub portfolio companies to enhance and innovate modern education experience and foster local economic development and growth.



Innovative Niagara brings together an extensive range of resources throughout the Region in order to foster the growth of innovative industry clusters, including interactive digital media, health and wellness, life science, bio-products, and green energy/technology. The incubator hosts a suite of educational and networking events throughout the Niagara region, including Learn at Lunch seminars, industry networking events, entrepreneurial training programs, and intensive hands-on workshops.

Niagara Falls Ryerson Innovation Hub (N.F.R.I.H.) brings together founders and teams to enable innovation. The hub will offer access to expertise, mentorship, research and development and international partnerships to incubate and accelerate the growth of promising digital media start-ups. Funding will support 85 companies, commercialize 12 new innovations, and stimulate diversification of the Niagara Falls economy, and is free for local firms. Founded by the City of Niagara Falls, Ryerson University, and Spark Niagara, NFRIH has created an educational ecosystem, which will foster entrepreneurial growth.

The **Niagara Falls Small Business Enterprise Centre** is a one-stop shop for information and advice on starting or growing a small business. The organization offers free and confidential consultations to discuss business ideas and assist in the development of a business plan. The Niagara Falls Small Business Enterprise Centre can guide small businesses and entrepreneurs through any registration and licensing requirements and help answer any business-related questions.

The **South Niagara Community Futures Development Corporation** (also known as the Niagara Business & Innovation Fund) invests in a wide range of business platforms from existing to new and emerging innovative ideas that will help transform the Niagara economy.

Spark Niagara is a collaborative workplace community for today's entrepreneurial workforce. Spark offers a space where start-ups and established businesses can locate as well as a supportive, safe, and secure collaborative environment for entrepreneurs in all stages of development.

Venture Niagara stimulates the growth of Niagara's rural economy by providing a broad range of risk financing and assistance to small business entrepreneurs and fostering purposeful community development initiatives.

3.6.5 Tourism

Niagara Region has a robust tourism sector, specifically within Niagara-on-the-Lake and Niagara Falls. In 2018, approximately 40,000 people were directly employed through Regional tourism opportunities.¹ Employment generated from the City's tourism sector directly leads to an increase in the City's population. As tourism-based population growth continually occurs within the City, there exists a pressure to provide housing,

¹ New report shows tourism impact on Niagara's economy. NiagaraFalls.ca



local infrastructure, and commercial accommodations. As such, the City's industrial uses associated with ancillary retail will remain a predominant form of employment across the City's Employment Areas. The Q.E.W./420 Employment Area exemplifies this type of employment, with ancillary retail businesses such as Artcraft Kitchens utilized for light manufacturing, Roman Cheese Products Ltd., conducting food processing or Advantage Kitchen Supplies, providing kitchen equipment. Growth in the tourism sector will continue to drive these indirect employment opportunities within the City's employment lands.

3.6.6 Assessing the Impacts of Technology and Innovation on Economic Development and Population Growth

Long-term labour force growth potential across the national, provincial, regional, and local levels, will be directly influenced by continued structural changes and disruptions driven by technology and automation. According to the Brookfield Institute for Innovation + Entrepreneurship, over the next 10 to 20 years 42% of the Canadian labour force is at high risk of being affected by automation, either through significant task restructuring or elimination. Jobs that are anticipated to be most highly impacted by automation are primarily within occupations that are administrative, routine, or oriented towards sales and service. As such, employment within the City's tourism sector could face potential disruption over the longer term. The Brookfield Institute report also notes that highly skilled occupations are expected to grow much more quickly than the rest of the labour force and are at a lower risk of being negatively affected by automation. This suggests that more highly skilled labour will be a significant driver of Canada's future economic growth.¹

To prevent an undesirable, lose-lose scenario associated with anticipated technological change in the economy – talent shortages, unemployment, and growing inequality – a number of critical actions are needed. This includes businesses assuming an active role in supporting their existing workforce through reskilling and upskilling, individuals taking a proactive approach to their own lifelong learning, and governments creating an enabling environment to assist in these efforts.² Initiatives such as Niagara Regional

¹ The Talented Mr. Robot. The impacts of automation on the Canadian workforce. Brookfield Institute for Innovation + Entrepreneurship. June 2016.

² World Economic Forum. Insight Report. The Future of Jobs Report. Centre for the New Economy and Society. 2018.



Broadband, Niagara Falls Smart City efforts, and increasing access to fibre will be important assets to leverage in the changing economy.

While the long-term net economic impacts of automation and/or artificial intelligence (A.I.) appear to be positive, global competition from both established and emerging markets looking to capitalize on potential opportunities related to this technology will be increasingly fierce. Building on its strong community foundations above, the Region of Niagara and the City of Niagara Falls can influence their readiness towards an ever-evolving knowledge-based economy through on-going leadership and investment. Ultimately, these efforts are important to enhance youth in-migration, talent attraction, and local employment opportunities geared towards an increasingly skilled labour force.

3.6.7 *Quality of Life*

Quality of life is a key factor influencing the residential location decisions of individuals and their families. It is also a factor considered by companies regarding location decisions. Typically, quality of life encompasses several sub-factors such as employment opportunities, cost of living, housing affordability, crime levels, quality of schools, transportation, recreational opportunities, climate, arts and culture, entertainment, amenities, and population diversity. The importance of such factors, however, will vary considerably depending on life stage and individual preferences.

The City offers a high quality of life which is expected to drive net migration from a broad range of demographic groups, including first-time home buyers, families, empty nesters, and seniors. The City also has a reputation for being an affordable location in which to live in Ontario, specifically within the G.G.H. The City has a wide range of recreational opportunities with a vibrant tourism industry located within proximity to other recreational destinations such as Niagara-on-the-Lake and Buffalo, New York.



Chapter 4

Employment Land Supply Analysis



4. Employment Land Supply Analysis

The chapter provides a comprehensive inventory of existing vacant developable employment land supply within the City of Niagara Falls. The Consultant Team has worked collaboratively with City staff to develop the employment land supply using geographic information systems (G.I.S.) mapping software. The findings of this chapter include an analysis of current developed and vacant employment land supply with a particular focus placed on the supply of “shovel-ready” and net developable employment lands by Employment Area. Shovel-ready employment lands are identified as lands which abut an arterial, collector, or local road and have sanitary, water, and storm stubbed at the property line. A further assessment has also been undertaken regarding intensification opportunities on developed parcels within Employment Areas.

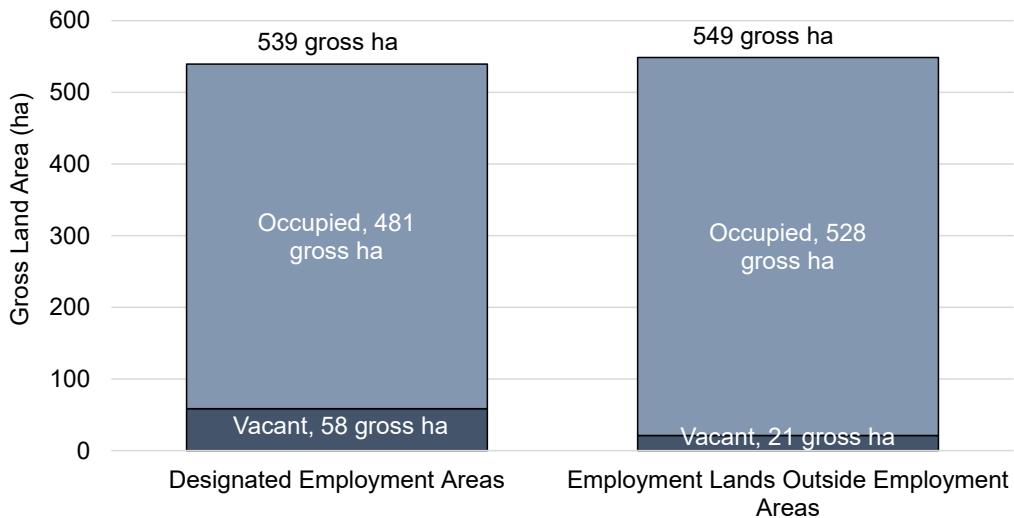
4.1 City-wide Employment Land Inventory

Figure 4-1 to Figure 4-3 summarize the City’s gross employment land supply by location. Figure 4-4 provides a map illustrating the location of the City’s Employment Areas. The following are key highlights of the designated employment land inventory:

- The City’s employment land supply is 1,088 gross hectares (ha) (2,689 gross acres) and is comprised of 1,008 gross ha (2,491 gross acres) of developed/occupied employment land and 79 gross ha (195 acres) of vacant employment land; and
- The City’s Employment Areas account for nearly half of the designated employment land supply. The vacant land supply, however, is greatest within Employment Areas, as they represent 74% of the vacant employment land supply.



Figure 4-1
City of Niagara Falls
Designated Employment Area Lands
Developed/Occupied and Vacant Employment Lands as of July 2020



Source: Watson & Associates Economists Ltd., 2020.

Note: Gross has been calculated in accordance with Growth Plan, 2019. Take-outs include environmental features, major roads and highway corridors.

In determining the vacant land inventory on a net basis, adjustments for environmental features, utility corridors, and hydrological features were identified. Further, larger vacant parcels (i.e. 10 ha/25 acres or greater) which were not considered shovel-ready were also subject to an additional downward adjustment to reflect internal infrastructure (i.e. roads, stormwater ponds, easements, etc.). Figure 4-2 provides a summary of the vacant employment land supply by Employment Area and Figure 4-3 displays the distribution of designated employment land supply within Niagara Falls, showing that over half of all the City's employment lands are located outside Employment Areas. Figure 4-4 displays a map of the City's employment lands, Employment Areas, and the Industrial Lands surrounding the Solvay (formerly Solvay) property.

Solvay is a chemical manufacturer in the City. There exists a two-kilometer environmental buffer around these Solvay Lands in which industrial development is permitted. For the purposes of this analysis, the Solvay lands are considered as a part of the 'Developed/Occupied Land Area.' The lands owned by Solvay are unlikely to develop beyond existing uses and as such, including them in the vacant land supply would artificially overstate the amount of developable industrial land within the City. The remaining industrial lands within the two-kilometer buffer are in proximity to McLeod



Road, which have historically been undesirable for industrial uses because of residential encroachment and unsatisfactory trucking routes. Chapter 7 and 8 discuss the industrial lands within surrounding two-kilometer Solvay arc in greater detail.

As of July 2020, it is estimated that the City of Niagara Falls has a vacant employment supply of approximately 78 ha (193 acres), adjusted for internal infrastructure for large parcels. The City has 21 ha (52 acres) of vacant employment lands which are located outside Employment Areas. The North Niagara Falls Secure Storage Employment Area offers 41 ha (101 acres) of vacant employment land, accounting for more than half the vacant employment land supply in the City of Niagara Falls and a majority of vacant land within the City's Employment Areas. The Montrose Road Industrial Area contains 11 ha (27 acres) of the remaining vacant land and the Stanley Avenue Business Park has 5 ha (12 acres) of net vacant employment land remaining.

Figure 4-2
City of Niagara Falls
Developed/Occupied and Vacant Employment Lands as of July 2020

Location	Developed/Occupied Land Area, ha		Vacant Employment Lands, ha			Total Designated Land Area, ha	
	Gross ¹	Net ²	Gross ¹	Net ³	Net of Internal Infrastructure ⁴	Gross	Net
	A	B	C	D	E	F = A + C	G = B + D
Montrose Road Industrial Area	136	133	11	11	11	147	145
Q.E.W. Centre Employment Area	29	27	0	0	0	29	27
North Niagara Falls Secure Storage Employment Area	112	112	43	43	41	155	155
Stanley Avenue Business Park	123	121	5	5	5	128	126
Highway 405 Employment Area	16	16	0	0	0	16	16
Q.E.W./420 Employment Area	55	54	0	0	0	55	54
Dorchester Road Employment Area	11	11	0	0	0	11	11
Outside Employment Areas	528	522	21	21	21	549	543
Total	1,008	997	79	79	78	1,088	1,076

Source: Watson & Associates Economists Ltd., 2020.

1. Gross (columns A and C) has been calculated in accordance with the Growth Plan, 2019. Take-outs include environmental features, major roads and hydro corridors.

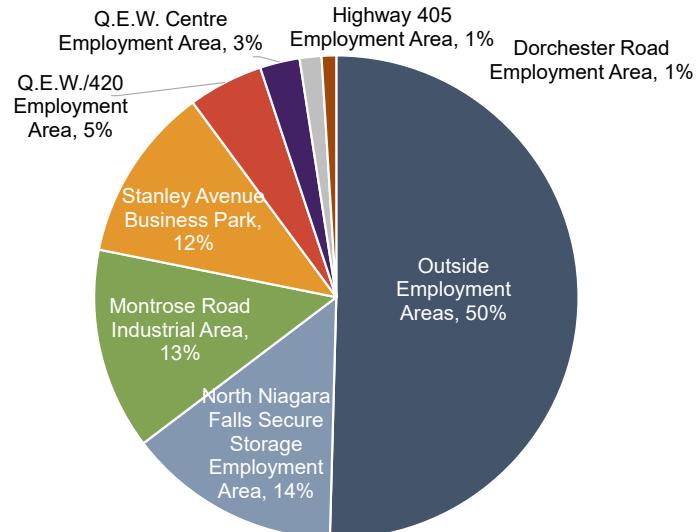
2. Net developed land area (Column B) has been calculated based on parcel fabric (excludes local roads, parks and other non-developable features).

3. Net vacant land area (Column D) is calculated based on parcel fabric (excludes roads, parks and other non-developable features).

4. Net of internal infrastructure (Column E) has been calculated based on parcel fabric (excludes local roads, parks and other non-developable features) and a downward adjustment to large parcels (greater than 10 ha/25 acres) of 10% for internal infrastructure.



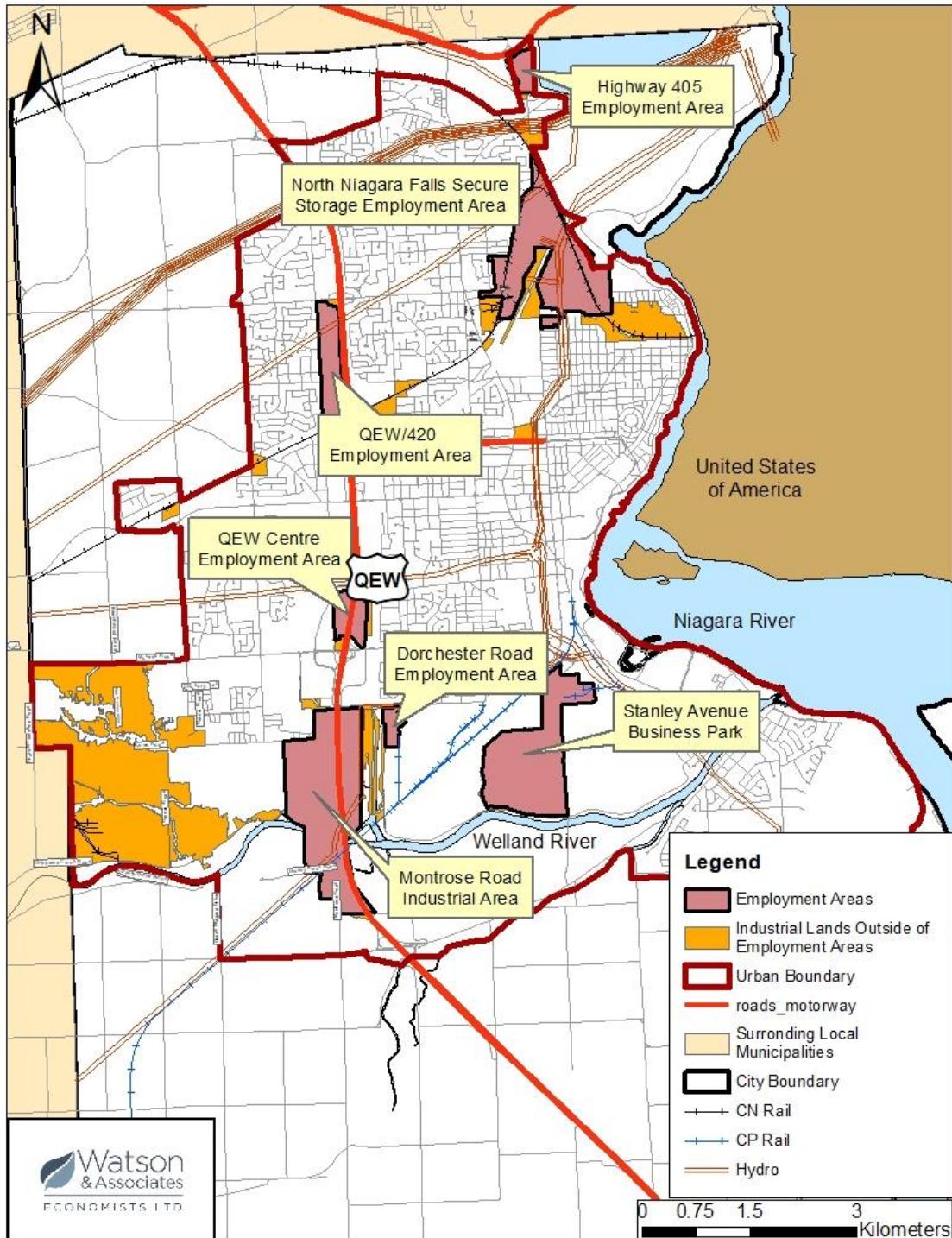
Figure 4-3
City of Niagara Falls: Distribution of Designated Employment Land Area by Location



Source: Derived from the City of Niagara Falls G.I.S. data, by Watson & Associates Economists Ltd., 2020.
Note: Based on gross land area with take-outs in accordance with Growth Plan, 2019.



Figure 4-4
City of Niagara Falls
Designated Employment Lands

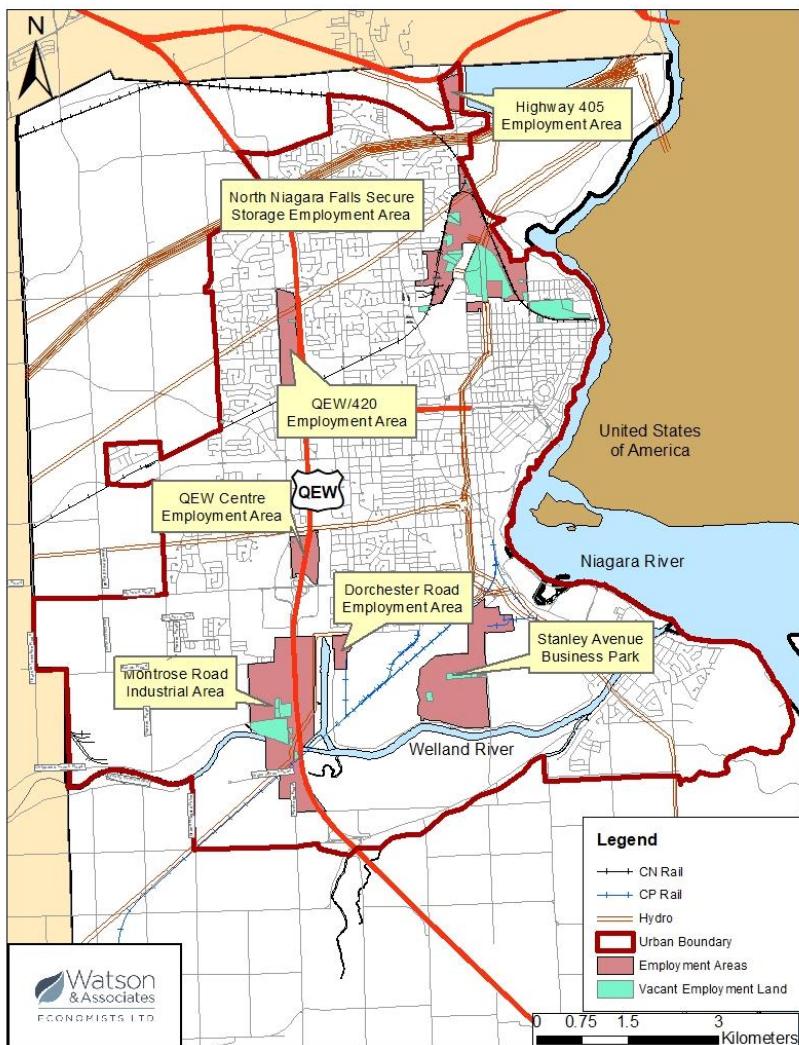




4.2 Vacant Employment Land Supply Characteristics by Land-Use Type and Location

Figure 4-5 provides a map of the City's Employment Areas and the vacant employment land inventory in the City of Niagara Falls as of July 2020. Vacant employment parcels have been identified with an overlay on the map (turquoise overlay). As illustrated, the bulk of the City's vacant land supply is located in the North Niagara Falls Secure Storage Employment Area, as well as outside the City's Employment Areas. The designations of these vacant industrial parcels have been reviewed in Chapter 7.

Figure 4-5
City of Niagara Falls
Map of Designated Employment Areas and Vacant Employment Supply, July 2020





In accordance with servicing data provided for the City of Niagara Falls land sites, vacant employment lands that are shovel-ready and have the potential to develop within a short term (i.e. within approximately 6 months) have been identified. It is important to note that the term shovel-ready used in this report refers to the zoning and servicing of land to accommodate development within a short-term time framework. Another factor that warrants consideration through an economic development strategy is the identification of lands that are market-ready or available for development (i.e. for sale/for lease).

Shovel-ready lands and the remaining serviceable vacant employment lands are identified in Figure 4-6 through Figure 4-9. Lands identified as shovel-ready include lands which abut an arterial, collector, or local road and have sanitary, water, and storm stubbed at the property line. The following summarizes the key findings regarding the shovel-ready land supply:

- It is estimated that there are 48 ha (119 acres) of shovel-ready employment lands in Niagara Falls, comprising 58% of the vacant designated employment land area;
- The shovel-ready employment land supply in Niagara Falls includes a range of parcel sizes, with only one large parcel greater than 10 ha;
- The majority of the shovel-ready parcels are less than two ha in size, yet most of the shovel-ready land supply is comprised of parcels greater than five ha;
- The North Niagara Falls Secure Storage Area contains most of the City's vacant, shovel-ready land supply within Employment Areas. These privately-owned vacant lands, however, are unlikely to be absorbed because of high pricing; and
- Almost all of the City's remaining serviceable vacant employment land within Employment Areas is located on parcels less than 5 ha, of which the majority are located in the North Niagara Falls Secure Storage Area.



Figure 4-6
City of Niagara Falls
Vacant Designated Employment Land Supply by Parcel Size and Shovel-Ready Status

Parcel Size Range	Shovel-Ready ¹			Serviceable ²			Total Designated Vacant		
	Count of Parcels	Gross Land Area ha	% of Land Area	Count of Parcels	Gross Land Area ha	% of Land Area	Count of Parcels	Gross Land Area ha	% of Land Area
Less than 1 ha	8	3	6%	5	2	5%	13	4	5%
1 - 2 ha	5	7	15%	4	6	18%	9	13	16%
2 - 5 ha	2	8	16%	3	9	25%	5	16	20%
5 - 10 ha	2	15	31%	0	0	0%	2	15	18%
Greater than 10 ha	1	15	32%	1	18	52%	2	33	41%
Total	18	48	100%	13	34	100%	31	82	100%
% Total Shovel-Ready	58%	58%		42%	42%		100%	100%	

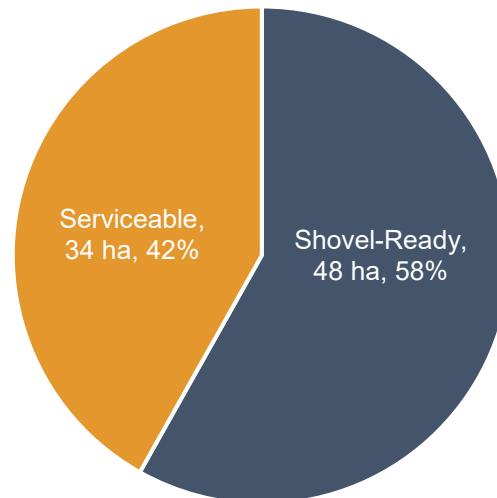
Source: Derived from City of Niagara Falls G.I.S. data, by Watson & Associates Economists Ltd., 2020.

Note: Using gross land area. Excluding underutilized parcels.

¹ "Shovel-Ready" lands are defined as those that are serviced and zoned and generally considered potentially developable within the next 6 months.

² Remaining vacant designated employment lands that are not shovel-ready and can accommodate servicing for new development by 2051. All designated employment lands are considered serviceable within the City of Niagara Falls.

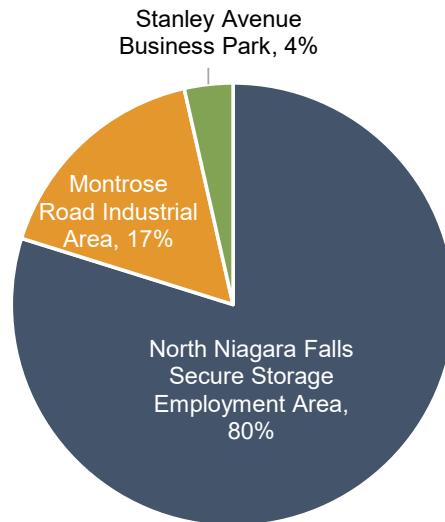
Figure 4-7
City of Niagara Falls
Vacant Designated Employment Land Supply
by Shovel-ready Status, Gross Land Area (ha)



Source: Derived from City of Niagara Falls G.I.S. data,
by Watson & Associates Economists Ltd., 2020.

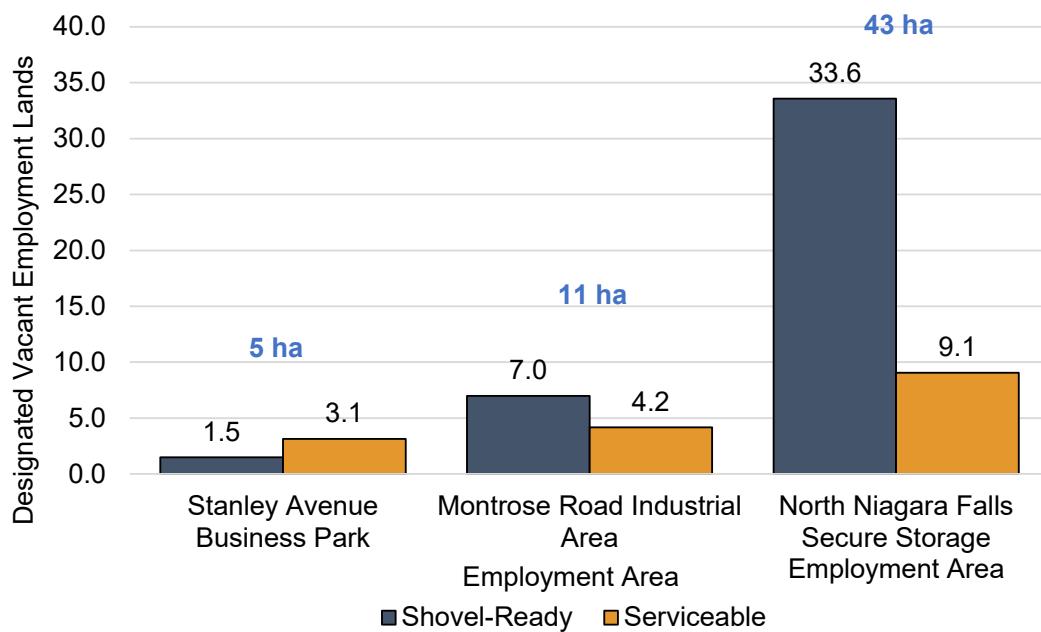


Figure 4-8
City of Niagara Falls
Location of Shovel-ready Land Supply by Employment Area



Source: Derived from City of Niagara Falls G.I.S. data,
by Watson & Associates Economists Ltd., 2020.

Figure 4-9
City of Niagara Falls
Location of Vacant Serviceable and Shovel-ready
Land Supply by Employment Area, Net Land Area (ha)



Source: Derived from City of Niagara Falls G.I.S. data by Watson & Associates Economists Ltd., 2020.



4.3 Intensification Potential in Employment Areas

Intensification on employment lands can take a number of forms, including further development of underutilized and partially vacant lots (infill), expansion (horizontal or vertical) of existing buildings and redevelopment of employment land parcels.

Intensification offers the potential to accommodate future employment growth and achieve increased land utilization resulting in higher employment density in existing Employment Areas. Higher land utilization on existing employment lands can also lead to more effective use of existing infrastructure (e.g. roads, water/sewer servicing).

Through a high-level desktop review using the developed industrial parcel inventory within Employment Areas, building footprints, and orthophoto overlays, 76 ha (188 acres) of developed employment lands were identified as underutilized. This reflects parcels that have:

- A vacant portion (potential for severance or building expansion);
- Relatively low building coverage (ratio of building space to land area is less than 15%) or sites that are currently used exclusively for storage and/or parking; and
- Redevelopment sites that are derelict, abandoned, or underutilized built sites.

As summarized in Figure 4-10, there are 63 sites comprising 76 ha (188 acres) of land area that may have the potential to accommodate additional employment growth within Employment Areas in the City of Niagara Falls. Of the 63 parcels, only ten sites are larger than two ha in size and can be expected to potentially accommodate mid- to large-scale developments within the City of Niagara Falls. Most of the underutilized parcels are less than one ha in size, and can only be expected to accommodate minor expansions and small-scale redevelopment opportunities. It is important to emphasize that these are privately owned lands, in which the landowner development intentions are unclear. While there is potential for intensification on these parcels, it does not mean that the lands are readily available for development and contribute to the City's developable land supply.



Figure 4-10
City of Niagara Falls
Intensification Potential – Size Range of Parcels

Parcel Size Range	Count of Parcels		Gross Land Area, ha	
Less than 1 ha	39	62%	20	26%
1 - 2 ha	14	22%	20	27%
2 - 5 ha	8	13%	21	27%
5 - 10 ha	2	3%	15	20%
Greater than 10 ha	0	0%	0	0%
Total	63	100%	76	100%

Source: City of Niagara Falls G.I.S. data, by Watson & Associates Economists Ltd., 2020.

A further review was completed to categorize underutilized lands according to potential:

- No Potential – sites are unlikely to redevelop over the forecast horizon (e.g. lands with no access to existing or planned roads, sites are utilized for municipal infrastructure/public works facilities);
- Low Potential – opportunity only for expansion to existing operations on-site (i.e. cannot accommodate severances or another site opportunity due to lot configuration) or redevelopment; and
- High Potential – sites can accommodate a wide-range of development opportunities including either an expansion of existing operation or accommodating an additional business operation on site.

Opportunities for infill development and building expansion are present within the City's existing Employment Areas. As summarized in Figure 4-11, 16 sites totalling 19 ha (47 acres) have the highest potential for intensification, including opportunities for facility expansions or the development of another business operation (i.e. severance).

Intensification of these sites would increase employment densities and generate higher utilization of developed employment lands. Sites with low potential for intensification include 39 sites totalling 54 ha (133 acres). As previously mentioned, low potential sites due to parcel configuration are likely unable to accommodate additional business operation opportunities (i.e. through severances). The remaining eight sites totaling 4 ha (10 acre) are considered to have no opportunity for intensification in the short- to long-term.



Figure 4-11
City of Niagara Falls
Underutilized Parcels Based on Intensification Potential

Intensification Opportunity	Number of Sites	Net Land Area, ha
No Opportunity	8	4
Low Potential	39	54
High Potential	16	19
Total	63	76

Source: City of Niagara Falls G.I.S. data, by Watson & Associates Economists Ltd., 2020.

Identifying and evaluating intensification opportunities against market demand is challenging. The intensification potential of the underutilized employment lands will largely be determined by future development plans of existing or future landowners, which is highly speculative. Over the past five years (2015 to 2019), the City has seen modest expansions/additions within Employment Areas, with annual expansion activity of 1,700 sq.m (18,300 sq.ft.) (for greater detail regarding historical development activity, refer to Appendix B). Two-thirds of this activity occurred from two expansion permits – Graybar Canada in the Q.E.W. Centre Employment Area, and U-Haul in the Q.E.W./420 Employment Area. Infill and redevelopment of existing developed lands is expected to continue over time, largely driven by rising employment land values and the continued buildout of the City's designated employment lands.

Figure 4-12 and Figure 4-13 summarize employment intensification potential by Employment Area. The greatest potential for intensification on employment lands is within the Stanley Avenue Business Park (36% of City-wide underutilized lands). The Montrose Road Industrial Area contains the second largest share of underutilized lands within Employment Areas, representing 27% of intensification potential. Outside of these business parks, intensification opportunities are relatively dispersed across the remaining City of Niagara Falls Employment Areas.



Figure 4-12
City of Niagara Falls
Map of Intensification Potential within Employment Areas

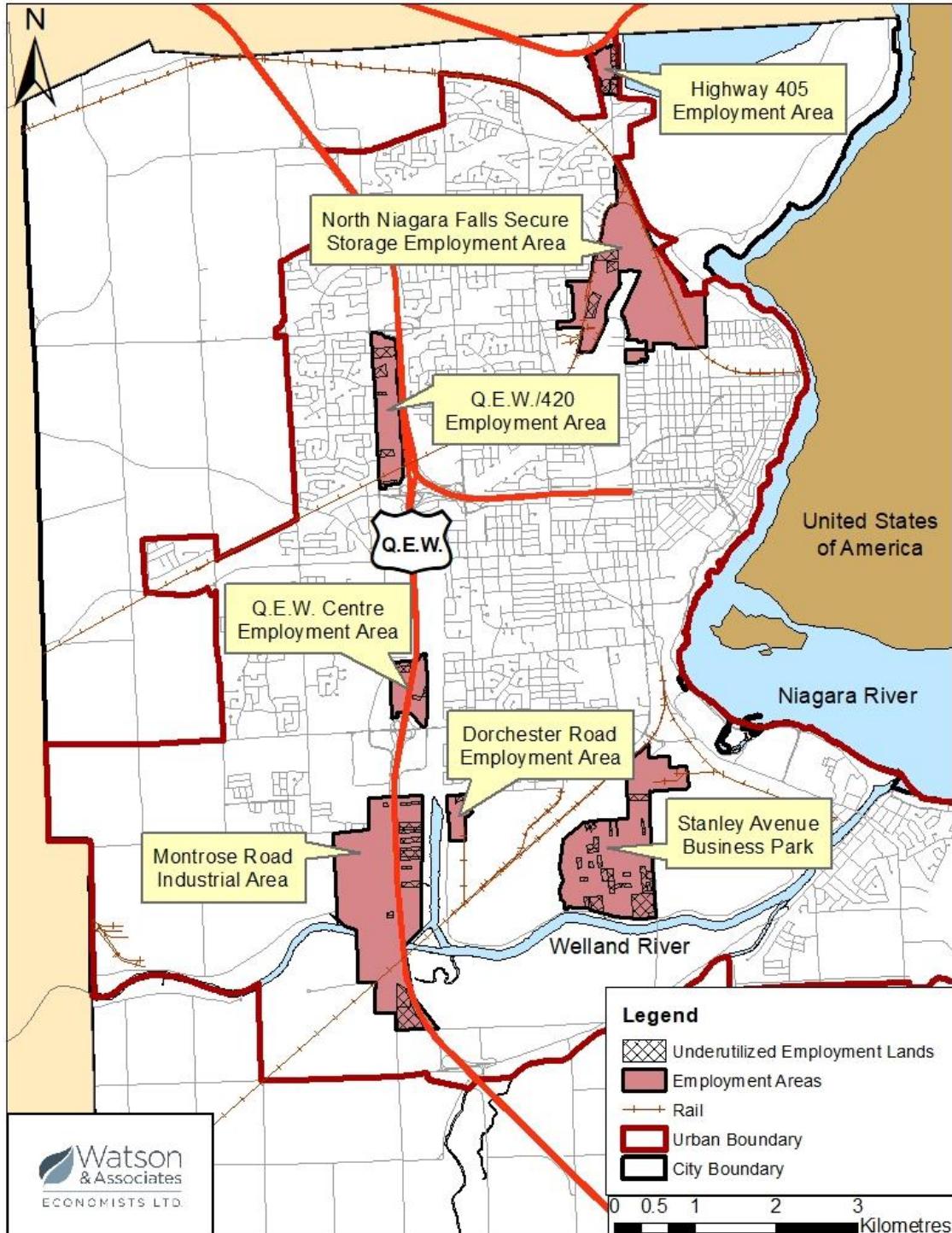
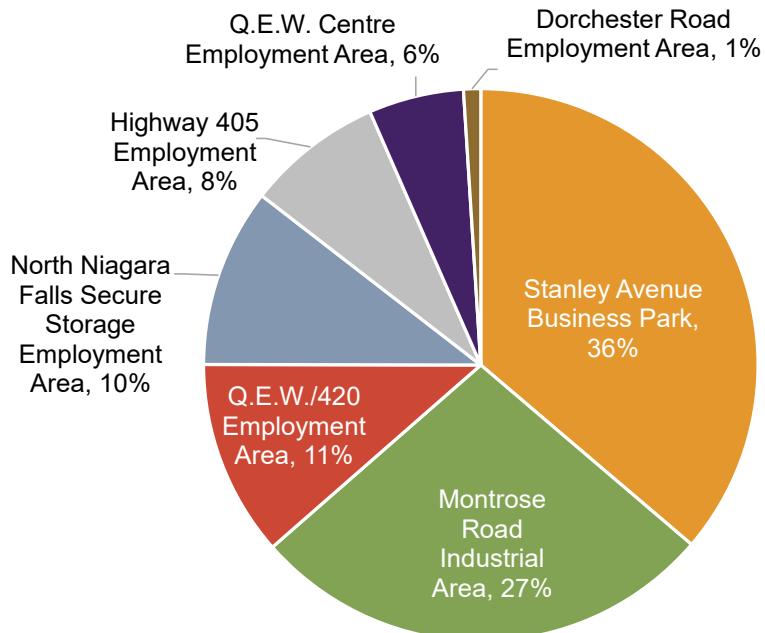




Figure 4-13
City of Niagara Falls
Intensification Potential by Employment Area



Source: Derived from City of Niagara Falls G.I.S. data, by Watson & Associates Economists Ltd., 2020.

Note: Based on gross land area with take-outs in accordance with Growth Plan, 2019.

4.4 Conclusions

The City of Niagara Falls has a well-established industrial base and its Employment Areas are an integral part of the City's economic development potential. The City's inventory of vacant designated employment lands is diminishing. The remaining vacant lands and current underutilized inventory are largely privately owned. Future development intentions of these private landowners is largely unknown. In order for the City of Niagara Falls to continue to be competitive and attractive to a broad range of industrial and commercial sectors, the City needs to ensure that it has a sufficient supply and market choice of serviced and serviceable employment lands to meet long-term employment demands on employment lands.



Chapter 5

Competitiveness and Investment Readiness of the City's Employment Areas



5. Competitiveness and Investment Readiness of the City's Employment Areas

5.1 Introduction

The following Chapter provides a S.W.O.C. analysis of existing Employment Areas in the City. The specific requirements of each identified industry cluster are assessed to determine which Employment Areas are best positioned to accommodate specific employment sectors identified for growth over the long term. Factors that can be considered include:

- Recent absorption activity on employment lands by sector and geographic area;
- Employment density trends by Employment Area;
- Quality of developed and vacant employment land area;
- Market choice of developable land in terms of site size, configuration, access, zoning, servicing, surrounding land uses, and future expansion potential;
- Parcel fragmentation (physical and by ownership);
- The feasibility of identifying large contiguous areas for development (large areas of land provide for larger economies of scale and greater efficiencies, in addition to providing multiple siting options for individual users);
- The location of the lands in relation to key highways and transit corridors; and
- The effects of residential encroachment on the City's employment lands.

5.2 City of Niagara Falls Employment Lands Profile

5.2.1 *Comparison of Regional Vacant Employment Land Supply*

Municipalities compete directly for business attraction with other communities in the regional market area and beyond. The City of Niagara Falls has a number of competitors along the Q.E.W. and surrounding area with which it competes for business attraction and retention. These municipalities also offer location and other regional attributes that appeal to prospective international and local firms.

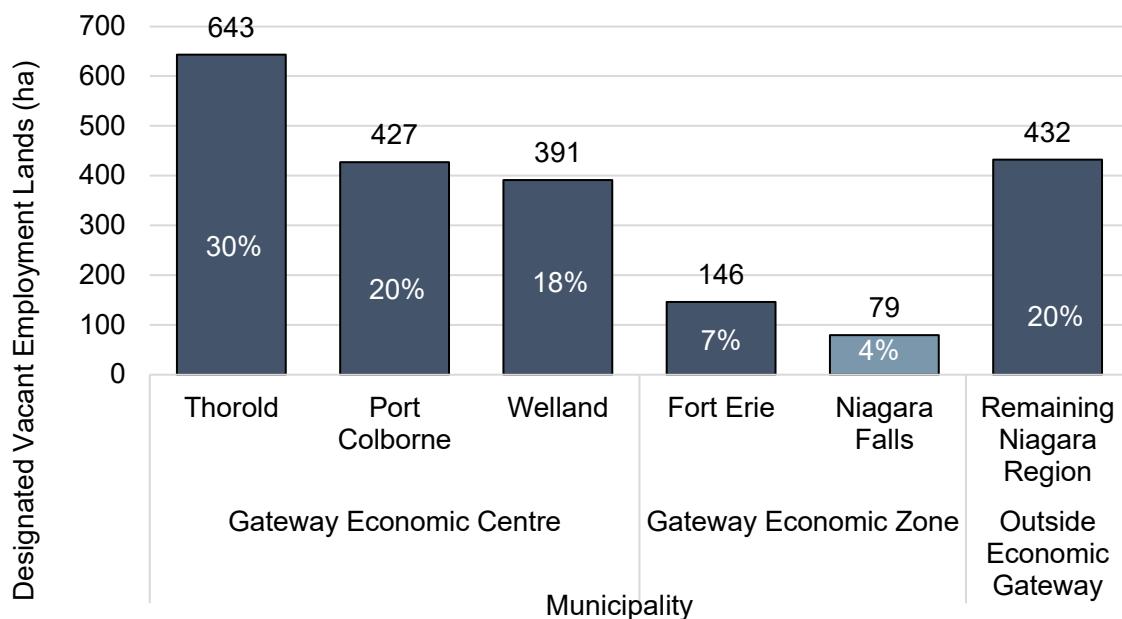
The City's competitiveness has been explored within a regional context in the Niagara Region's Employment Area Strategy (2020). As such, it is the goal of this chapter to further analyze the City's Employment Areas and their respective attractiveness to the



City's identified target sectors. To first contextualize this analysis, Figure 5-1 summarizes the total amount of designated vacant employment land by surveyed municipality.¹ Key findings include the following:

- As previously mentioned in Chapter 4, Niagara Falls has 79 gross developable ha (195 acres) of designated vacant employment land, accounting for 4% of the Regional supply; and
- Thorold, Port Colborne, and Welland account for the largest share of the Regional vacant land supply, accounting for a combined 68%. These municipalities make up the Gateway Economic Centre.

Figure 5-1
City of Niagara Falls and Surrounding Market Area Municipalities
Total Designated Vacant Employment Land



Source: Niagara Region's Employment Area Strategy: Background Report and Recommendations, March 20, 2020. Figure by Watson & Associates Economists Ltd., 2020.

¹ According to Niagara Region's Employment Area Strategy: Background Report and Recommendations, March 20, 2020. Niagara Region's Employment Area Strategy reports a vacant land supply of 242 ha for the City of Niagara Falls, while the results of this analysis show a gross vacant land supply of 79 ha. This discrepancy is largely caused by the removal of the Solvay Industrial Lands from the developable land supply.



5.3 Strengths, Weaknesses, Opportunities, and Constraints

Review of Existing Employment Areas in the City of Niagara Falls

Market competitiveness is typically driven by a broad range of factors that can strongly influence business location decisions, both for new development and expansion. These factors include access to transportation infrastructure, access to labour and employment markets, supply and market choice of land development opportunities, cost structure of the business environment, and quality of life aspects. With the continued shift towards a more knowledge-based economy, the business landscape has been particularly challenging for Ontario's small to mid-sized municipalities, especially as it relates to being competitive with respect to labour force attraction attributes, local infrastructure (e.g. high-speed internet, transportation networks, including high-order transit) and supporting amenities.

As previously discussed, the economic development prospects of Niagara Falls are in many ways tied to the success of the broader regional market. The City of Niagara Falls is a relatively competitive location along the broader Q.E.W. Niagara to Toronto highway corridor in terms of employment land prices, lower industrial property tax rates than the Niagara Region average, non-residential development charges¹ and overall development costs. This, along with the City's proximity to the G.T.H.A., and the U.S. border, provides an important competitive advantage for industrial development. The degree to which Niagara Falls can capitalize on its regional location advantages will depend largely on the quality and quantity of its employment lands to accommodate preferred employment uses.

5.3.1 City of Niagara Falls S.W.O.C. Overview

As a background to Niagara Region's M.C.R. process, an Employment Area Strategy Background Report was prepared which provided a detailed S.W.O.C. analysis for each

¹ If an industrial development meets the Niagara Region's definition of Industrial Use (as per By-law 2017-98) and can demonstrate the positive economic impact the business will generate in Niagara, then up to 100% of the Regional development charge can be received as a grant.



of the Region's Employment Areas. Building on the results of this analysis, the following will examine the City's position within the broader competitive landscape.

Strengths

- **Location** – Geographically, Niagara Falls is well-positioned to provide unique location-based benefits for employers in terms of access to international trade corridors and major goods movement facilities.
- **Excellent Road, Rail, and Seaway Infrastructure Assets** – The City's extensive road infrastructure connections include the 400-series highway, the Q.E.W., and the I-90 corridor that allows access to the eastern U.S. Overall, local businesses can reach upwards of 2,000,000 customers in less than 1 hour's drive. In addition, the Welland Canal is located in Niagara Region and provides a strategic trade corridor via the St. Lawrence Seaway for inter- and intra-regional trade and tourism.
- **Investment in Broadband Infrastructure** – The City is making targeted investments in improving the broadband infrastructure across the community. This includes the South Western Integrated Fibre Technology (SWIFT) initiative to build an ultra-high-speed fibre optic internet network in the city. The initiative's economic benefits include expanded access to online and e-commerce tools for small businesses, improved online access for residents, and Federal and Provincial investment to improve Niagara's information infrastructure. The City is also a key stakeholder in the Niagara Regional Broadband Network (NRBN), a regional telecommunications provider of high-performance data and voice solutions for local businesses.
- **Foreign Trade Zone Point** – The Foreign Trade Zone Point enables businesses to receive tariff and tax exemptions with respect to the purchase or importation of raw materials, components, or finished goods. Such materials and goods can generally be stored, processed, or assembled in the G.T.H.A. for re-export (in which case taxes and duties generally would not apply) or for entry into the domestic market, at which time taxes and duties would be deferred until the time of entry.
- **Gateway Economic Zone and Gateway Economic Centre in Niagara** – These areas are distinguished for their unique economic importance to the region and Ontario based on proximity to major international border crossings. There are no other areas in the Province that have these designations.



- **Cluster Development** – Investment attraction and business retention and enhancement initiatives are focused on identified sectors including tourism and hospitality, manufacturing, and manufacturing-related agribusiness.
- **Growing Innovation Ecosystem** – There is currently a growing innovation ecosystem anchored by incubators, accelerators, and innovation support services including Innovative Niagara, Spark Niagara, and the Niagara Falls Ryerson Innovation Hub (NFRIH), among others. The presence and access to educational institutions, including Brock University in St. Catharines and Niagara College in Niagara-on-the-Lake, ensure access to incubation and commercialization, and targeted response to industry needs.

Weaknesses

- **Knowledge Economy Gaps** – A key theme across many City reports (e.g. Economic Diversification Strategy 2018) was the lack of access to knowledge-based workers. This contention is supported by the data, with professional, scientific, and technical service jobs accounting for only 4% of total jobs in 2020 and recording a low location quotient (L.Q.) score of 0.47 when compared to the Province.¹
- **Gaps within the Regional Public Transit System** – While the Region enjoys strong transportation assets, limited transit options within the City hinder growth. Local businesses are unable to attract workers to their operations, particularly when these workers do not live-in proximity to where they work. However, the City is undertaking targeted steps to improve transit infrastructure. This includes a regional partnership with the City of Niagara Falls, St. Catharines Transit Commission, the City of Welland, and the Region of Niagara to develop the Inter-Municipal Transit in Niagara. As part of the initiative, the Niagara Transit Service Delivery and Governance Strategy provides strategic recommendations for the improvement of transit service throughout Niagara.
- **Continued Decline in Manufacturing Jobs** – Manufacturing sectors jobs across Ontario are at risk of continued automation which may displace portions of the local/regional labour force. This, however, does not necessarily mean a

¹ An L.Q. of 1 would represent a comparable employment concentration to the provincial average.



decline in demand for floor space, which has implications for the amount of land and location for this use.

Opportunities

- **Continued focus on Downtown Revitalization** – The City is seeking to address this through the Niagara Falls Ryerson Innovation Hub (N.F.R.I.H.) which will become part of the Niagara Falls Business Innovation Zone program to support local business and entrepreneurial development. The City has also developed the Downtown Community Improvement Plan (CIP) Financial Incentive Programs to restore and improve commercial and mixed-use building facades and promote the physical improvements of existing buildings and properties.
- **Magnet City** – In the City's Economic Diversification Strategy 2018 there is strong mention of positioning the region as a "Magnet City" by attracting more private investment, research grants and public funds and investing in key infrastructure and cultural assets. This vision is a substantial opportunity for the City as it would be a driver of job and population growth.
- **Improved Transit** – The City is improving regional transit options as part of the Growth Plan. For example, in 2019, GO Transit announced the first transit expansion for two trains for weekday service to/from Niagara Falls Metrolink. Planned expansion of the GO Rail Service to Niagara Falls by 2023 by the Province of Ontario is a significant infrastructure investment that will have considerable benefit to the community.
- **Agri-Business** – The City's proximity to agriculture lands within Niagara Region along with Niagara College's Food and Wine Institutes are core strengths. This, along with the City's strength in manufacturing, presents opportunities to support value-added/ancillary uses in agri-business and food processing sectors.
- **Workforce Development** – Focusing on workforce development is a key component of economic development; focus on attracting both skilled workforce capable of participating in the technology-based economy and semi-skilled and low-skilled workforce to service industries.
- **Leveraging Technology-Based Development** – Niagara Falls is well-positioned to capitalize upon advances in technology (e.g. A.I. and Machine Learning) to increase local sector efficiency and attract new technology-focused businesses. Current policy action by the City, such as the establishment of the



N.F.R.I.H. and the Niagara Regional Broadband Network (N.R.B.N.) is evidence of the City's willingness to embrace digital transformation.

Constraints

- **Industry 4.0 and Industrial Production** – The rise and rapid adoption of new technologies will continue to shift industrial and manufacturing processes to be more automated and capital/technology intensive. This may result in the loss of some jobs (as process become automated) and an increase in demand for a more skilled labour force. The adoption of technology will also require that Employment Lands be developed with a wide range of employment-supportive uses, broadband and transit infrastructure, eco-design principles, and urban amenities that support the knowledge economy's attraction and growth.
- **Digital Disruption and E-Commerce** – The rise of e-commerce will continue to impact retail real estate, as some chains shrink the size of their store model footprint. Over time, this could translate into fewer retail employees on a floor space basis and less demand for retail overall. This will impact land demand for new retail development and affect retail employment growth rates.
- **COVID-19** – One of the largest short-term constraints facing businesses within the City of Niagara Falls is COVID-19. The forced closure of businesses nationwide for an extended period of time has devastated the economy, particularly vulnerable sectors such as tourism and retail which rely heavily on in-person trade and form core components of Niagara Falls' local economy. While it is hard to predict the long-term implications of the pandemic on business performance, the current limits on travel and the closure of the U.S. border suggest that local businesses face a long road to recovery.
- **U.S.-China Trade Dispute** – The ongoing U.S. and China trade dispute will continue to impact export-oriented industries in Canada.

5.3.2 *City of Niagara Falls Target Sectors*

As per the Niagara Falls 2018 Business Profile, the target sectors for the City include tourism, manufacturing, retail/commercial and the knowledge-based industries. As the City has developed sector profiles, there is a gap in information as to the landscape and business environment for the tourism, retail, and knowledge sectors. The following information presents an overview of the target sectors for Niagara Falls as understood through existing literature and a high-level data analysis. While the following is



understood to be the City's target sectors, only certain uses would typically fall within Employment Areas (discussed further in section 5.4).

Tourism Sector

Niagara Region estimates show that tourism spending in the region is over \$2 billion annually and that every \$100 million increase in direct revenue in tourism produces an indirect output of \$69 million.¹ Niagara Falls is a critical part of this revenue generation – the 2018 City of Niagara Falls Economic Diversification Strategy and the 2018 Niagara Region Tourism Profile estimates that the City welcomes 14 million tourists each year, resulting in an overall tax base of more than 30%.

As of 2018, the sector accounted for 39,995 jobs, an increase of 6,059 jobs (18%) from 2011. This sector is comprised of five core subsectors including accommodation and hospitality (27,270 jobs or 68% of total); arts, entertainment, and recreation (8,974 jobs or 22% of total); beverage manufacturing (2,519 jobs or 6% of total); transportation (828 jobs or 2% of total); and, travel arrangement and recreation services (404 jobs or 1% of total). From a business perspective, there was a total of 2,824 businesses recorded in the sector in 2018, of which 55% had employees. Accommodation and hospitality had the highest concentration of businesses at 63% of the total.

The continued success of the tourism sector is dependent on several factors, as identified in the City's Economic Diversification Strategy. It calls for downtown revitalization and the better leveraging of existing assets, including the new 5,000 seat Theatre in the Tourism district, Marineland and increased arts and cultural events. This is of particular relevance, given the current COVID-19 pandemic. Focus should be given to strategic actions which support local tourism operators and enhance existing offerings.

Manufacturing Sector

As per the 2018 Niagara Region Manufacturing sector profile,² the manufacturing sector is the fourth largest employment sector for Niagara Region, accounting for 18,791 jobs spread across 1,130 businesses. The sector accounted for \$2.4 billion (14%) of the

¹ Niagara Canada, Key Sectors Tourism, <https://niagaracanada.com/key-sectors/tourism/>

² Niagara Region, Niagara Manufacturing Profile, 2018.



Niagara Region's total G.D.P. and is forecast to grow at 1.3% (compound annual growth rate) annually from 2019 to 2022.

Niagara Falls is well-positioned to capitalize on the strengths of the manufacturing sector. As per the 2019 Canadian Business Counts, a total of 170 manufacturing businesses were registered in the City, of which 91 were businesses with employees. With an L.Q. of 0.84 as a factor of the Province, the sector is well-positioned for growth opportunities. As per the 2018 Economic Diversification Strategy, Niagara Falls has economic specializations in specific manufacturing sub-sectors, including fertilizer and other agricultural chemical manufacturing; fruit and vegetable preserving and specialty food manufacturing; beverage manufacturing, alumina and aluminium production and processing (e.g. castings); resin, synthetic rubber, artificial/synthetic fibers and filaments manufacturing.

Planning for the manufacturing sector should consider the increasing impact of automation of both skills and jobs. Industry 4.0¹ signifies a shift in the type of work and the skills that employees will be required to perform. Advanced manufacturing is evolving and is requiring integrated operations on larger sites in a “campus-style” setting. These integrated facilities often accommodate a combination of office, research and development, warehousing and logistics, and on-site manufacturing. While new technologies have resurfaced concerns over technology eliminating jobs, they help drive innovation and give rise to entirely new industries and economic opportunities. As a result, in the long run, technology has often helped to produce more jobs than it destroyed.

Retail/Commercial

In 2020, the retail sector accounted for 5,470 jobs (11.6% of total jobs) and 628 businesses. The majority of the sector (64% or 399 businesses) had employees and was characterized by a small or medium-sized business (82% had less than 20 employees). Tourism also has a significant impact on the local retail sector which should be considered, but which is mostly concentrated in tourist commercial zoned areas.

¹ The Fourth Industrial Revolution through the continued automation of traditional industrial practices through advanced technologies.



A key theme identified within the economic diversification strategy was that the downtown area of the City of Niagara Falls has struggled in recent years to generate and retain retail traffic. Recent revitalization investments have supported the Downtown's vibrancy and with the future development of the GO Train Station located in this area, revitalization efforts will continue to promote the Downtown as a retail, cultural, arts, and recreation hub. However, as technology continues to advance, the retail sector will experience ongoing disruptions. The advent of COVID-19 has illustrated the vulnerabilities of physical retail spaces and growing preferences amongst consumers to purchase goods online via e-commerce. E-commerce has already had a pronounced effect on retail real estate, as some chains shrink the size of their store model footprint through improvements in inventory management reducing storage floor space requirements.

Knowledge-Based Industries

The knowledge-based sector of the City of Niagara Falls is a small, albeit slowly growing sector. As a sector profile has not yet been conducted, insights from EMSI Analysis data 2020 has been used to quantify the sector size and impact on jobs with the professional, scientific and technical services, finance and insurance, and information and cultural industries sectors used to represent the sector. Overall, total jobs accounted for 2,659 or 6% of total jobs, with the professional, scientific, and technical services sector accounting for the majority (68% of jobs). From a business perspective, the knowledge-based industries accounted for 969 businesses (14% of total), with a concentration again within the professional, scientific and technical services sector (55% of businesses).

Niagara Falls' education and occupational profile suggests that the major fields of study including architecture, engineering, and related technologies, business, management, and public administration, and health and related fields with a comparatively lower proportion of the labour force with an education related to STEM fields including mathematics, computer and information sciences, and physical and life sciences and technologies. Niagara Falls' share of the total workforce employed in occupations considered knowledge-based is currently lower than both the Niagara Region and Province. Recent increases in skilled and technology workers across the Province is fuelling growth in the sector as is the commitment by the City towards further developing the innovation ecosystem (e.g. the NFRIH initiative). The Niagara Regional Broadband Network (NRBN) and the South Western Integrated Fibre Technology (SWIFT) are vital



supports to grow the knowledge economy and innovation assets. Similarly, the planned construction of the South Niagara Hospital Project is a crucial growth initiative in growing an advanced and technology-focused integrated healthcare system and will require a parallel response in advancing a knowledge-based labour force.

Key challenges remain, such as putting in place adequate support systems to attract talent and foster local growth, as well as differentiating the City from other key competitors (e.g., Waterloo and Hamilton). Similarly, managing the COVID-19 impacts on knowledge-based industries, particularly regarding their need for office space as they shift towards more online models, is an important consideration.

Observations

While the above target sectors have been identified for the City of Niagara Falls as a whole, not all employment uses within these sectors will be accommodated within Employment Areas. Future and existing Employment Areas in Niagara Falls have the opportunity to accommodate a wide-variety of employment sectors and businesses within a range of building types and forms. In the addition to the above, the City's Employment Areas are expected to experience growth in wholesale trade, construction, utilities, and a broad range of commercial and employment supportive uses in accordance with permitted zoning and land use requirements. The degree to which the City of Niagara Falls will facilitate emerging employment uses will be subject to the availability and quality of employment lands and the City's regional competitiveness position.

5.3.3 General Characteristics of Industrial/Business Parks

Industrial/business parks require good access to regional transportation networks, on-site infrastructure including roadways and utilities, a critical mass, and available, zoned, shovel-ready lands. Industrial/business parks are typically located on flat to slightly rolling topography in areas with minimal environmental issues. Roadways within industrial/business parks tend to be laid out in a grid system to optimize circulation and parcel configuration. Parcels are typically square or rectangular in shape to optimize site design. Many of these attributes help to optimize the end-users' speed to market, while minimizing development costs and project risk.

At both the regional and local levels, location requirements of industry can vary considerably depending on the nature of the employment sector/use. Employment



sectors typically situated in industrial areas have varying site-specific requirements. To be successful in attracting a broad range of employment sectors, it is recommended that the City's Employment Areas provide the corresponding attributes summarized in Appendix C. The specific attributes that are required for an industrial/business park to be successful are largely based on the intended function and designations. These are discussed in more detail below within the context of general industrial parks, business parks and research and development parks.

General Industrial Parks

Industrial Areas have a more general industrial orientation and accommodate largely industrial uses such as advanced manufacturing, logistics, distribution, and transportation sectors. These areas typically offer the following physical requirements:

- **Access** – Proximity to controlled access highways (i.e. Q.E.W.) is critical for the success of general industrial parks that have a significant degree of manufacturing, warehousing, distribution, and logistics uses. These parks do not necessarily have to be adjacent to a controlled access highway but must be in proximity and easily accessible via major arterials that pass through limited residential or mixed-use commercial area(s);
- **Critical Mass** – Size is vital to ensure a wide selection/flexibility of land options, and parks must include a sufficient supply of large parcels. As a minimum, 80 ha (200 acres) is generally a suitable size for a park, in order to reach the critical mass needed to provide reasonable presence, choice and economies of scale;
- **Location** – The location must provide efficient and effective vehicular access and circulation, particularly for heavy truck traffic, with a minimum of two access points to enter/exit the industrial park;
- **Land-Use Compatibility** – Buffering is important for general industrial parks in order to minimize noise and air pollution to neighbouring residential and other sensitive land uses;
- **Market Choice** – Parcel size and configuration need to be conducive for a wide range of industrial land uses, especially for land-extensive uses such as wholesale trade and transportation; and
- **Competitive Development/Operating Costs** – Land prices must be competitive, given the land-extensive nature associated with many uses in general industrial parks.



Business Parks

A strong employment growth outlook in knowledge-based sectors continues to generate an increasing need to accommodate light industrial and office uses on both employment lands and within commercial, mixed-use areas. In terms of built form, knowledge-based sectors are typically accommodated in multi-tenant and standalone industrial and office buildings. To address the broad needs of the knowledge-based sector, a range of lands by type, size, and location should be considered. In industrial/business parks, prestige office uses are often positioned at gateway locations (i.e. at major highway interchanges) with direct highway access/exposure as well as strong connectivity to arterial roads. Industrial Areas which are designated as business parks typically have a more prestige character than general industrial parks.¹ The following are characteristics typically associated with prestige employment uses, such as:

- **Access** – Access and exposure/visibility to controlled access highways or major arterial roadways are more critical for business parks, particularly for corporate offices;
- **Critical Mass** – Size is less important to prestige business parks relative to general industrial areas; however, the business park must be generally large enough to foster a sense of place within a well-defined precinct and to allow for on-site amenities;
- **Land-Use Compatibility** – Buffering is often required for prestige business parks located in proximity to general Employment Areas or residential uses. Open space/parkland and recreational trails are also often provided for pedestrian movement and leisure; and
- **Character** – Business parks typically present a more prestigious image, created through higher quality building design, stricter urban design standards (i.e. curb and gutter, streetlighting, buried utilities, stormwater management, etc.) and landscaping requirements to create a campus style setting. Typically, such areas would also impose stricter land-use permission regarding heavy industrial uses and outdoor storage.

¹ Prestige or light industrial lands typically accommodate a larger share of office employment and a relatively higher share of employment-supportive employment uses when compared to general industrial areas. For these reasons, prestige or light industrial areas often have higher average density levels compared to general industrial areas.



According to the City of Niagara Falls O.P., ancillary office and retail uses are permitted on designated employment lands, as well as standalone corporate and business offices, which are subject to guidelines established in Section 8.4 of the O.P. The City of Niagara Falls' zoning by-law establishes further categorizations of employment land uses by Prestige Industrial Zone; Light Industrial Zones; General Industrial Zone; Heavy Industrial Zone; and Transportation-Distribution Industrial Zone. Generally, the City's Employment Areas are zoned as Light Industrial, with the Stanley Avenue Business Park zoned as General Industrial, and the Montrose Road Industrial Area as Prestige Industrial. Industrial lands zoned as Prestige Industrial are scattered throughout the City, with a concentration within the Montrose Road Industrial Area that could potentially accommodate employment uses commonly associated with Prestige Business Parks. At the current time, none of the City's Employment Areas or Business Parks possesses the cohesive characteristics to be considered as "Prestige" and can instead be understood as General Industrial Parks, as defined above.

Research and Development Parks

Research parks represent communities of innovation that link industry with government and academia. These parks are typically developed in partnership with key stakeholders such as municipal, provincial, and federal governments, affiliated universities, and economic development agencies. Typically, research and development parks are developed with the objective to attract, accommodate, and facilitate business ventures and investment as well as to create synergies related to the commercialization of research activities. Research and development parks also tend to provide resources (i.e. incubators) to support existing and new business ventures. The sizes of research parks in Canada range from a single parcel with one building adjacent to a university to larger standalone campuses. In terms of uses, research parks are comprised primarily of office, institutional, research and development facilities and a limited retail base. Key features of a research park include:

- Large anchor;
- Cluster of firms and organization in the knowledge-based sector;
- Prestige "campus-like" setting for office and light industrial uses;
- Access and exposure to highways and arterial roads, and transportation connectivity;
- Access to skilled and unskilled labour;



- Proximity to markets and related industry clusters;
- Access to on-site amenities and proximity to off-site amenities;
- Availability of office space for lease or purchase;
- Partnership and support with government, organizations, and firms;
- Land area ranging from a single parcel with one building to a large campus with a developable land area of 30 to 50 ha;
- High quality design environment to stimulate creativity and innovation; and
- Availability of supporting infrastructure and resources (i.e. training/research and incubator facilities, synergies with post-secondary institutions).

The City of Niagara Falls is currently planning for a Medical Business Park adjacent to the new community hospital which will function as a medical A.I. research hub.¹ The new state of the art hospital will host advanced AI capabilities and is expected to cost approximately \$1 billion.

5.3.4 City of Niagara Falls Employment Areas

The following provides an overview of existing conditions within the City's designated Employment Areas.

5.3.4.1 Stanley Avenue Business Park

The Niagara Falls Stanley Avenue Business Park is comprised of 121 net hectares of developed employment land, and five net ha (12 net acres) of undeveloped designated vacant employment land remaining. The lands are located in the southeast area of the City, approximately ten minutes from the nearest Q.E.W. exit and the Rainbow Bridge border crossing to the U.S. The City's heavier industrial uses are found here, with a large concentration of employment within the manufacturing sector, followed by a relatively high concentration of employment within the construction and wholesale trade sectors. There are currently three vacant parcels within the park, two of which are constrained by environmental features. As such, new development opportunities within the Stanley Avenue Business Park are minimal. Business retention and increasing employment densities should remain the focus at this park.

¹ City of Niagara Falls Economic Diversification Strategy. June 11, 2018.



Centennial Concrete Niagara Inc., on Progress Street.

Tire Resort at 6160 Don Murie Street.

5.3.4.2 Montrose Road Industrial Area

The Montrose Road Industrial Area is located immediately south of McLeod Road, parallel to the Q.E.W. on both the east and west side. The park is located only a couple of minutes from the nearest Q.E.W. exit and 20 minutes from the Peace Bridge border crossing into Buffalo, New York. Unlike the Stanley Avenue Business Park, border access can be achieved via the Q.E.W., without driving through residential arterial roads. The Montrose Road Industrial Area has facilitated a larger share of the City's development activity over the past five years, accommodating new employment in a number of small to medium-sized businesses within the administrative and support, waste management and remediation services, construction and public administration. Montrose Road Industrial Area consists of 145 net ha (358 net acres) of employment land which is largely developed, with only six vacant parcels remaining which total 6.4 net ha (16 net acres). Five of the remaining parcels are approximately less than 1 hectare in size, with one developable site almost 5 ha. The vacant lands within the Montrose Road Industrial Area are considered to be shovel-ready.



Niagara Falls Nissan on Oakwood Drive.



Premier Trucking Group on Oakwood Drive.



Jellystone Park Camp Resort on Oakwood Drive.



5.3.4.3 Q.E.W./420 Employment Area

The Q.E.W./420 Employment Area is centrally located within the City, in proximity to residential neighbourhoods, with visible exposure to the Q.E.W. This Employment Area is easily accessed to the north from the Q.E.W. and to the south from Highway 420. Approximately 860 jobs exist within this Employment Area, with a concentration of manufacturing (43%) and retail trade (19%). Many of the business establishments in this area are mixed-use, with light manufacturing/warehousing operations combined with a retail storefront. No vacant lots remain here, so planning considerations should be focused on maintaining higher employment densities through leasing, business expansions and redevelopment opportunities.



Roman Cheese Products Ltd., on Montrose Road. U-Haul on Kent Avenue.

5.3.4.4 North Niagara Falls Secure Storage Employment Area

The North Secure Storage Employment Area is the second largest in the City. Unlike the City's other Employment Areas, the employment land here is quite fragmented by internal roads, rail and hydro lines, and environmental constraints. Approximately 1,000 jobs exist within this Employment Area, without any discernable industry concentration. Employment is mixed between retail trade, health care and social assistance, transportation and warehousing, finance and insurance, and construction. Youngs Insurance Brokers and Lococo's are some of the largest employers in the area, with 140 and 80 employees, respectively. There are 17 vacant parcels (36 net ha) of employment land, accounting for almost 80% of the City's vacant employment land within Employment Areas and approximately 40% of the City-wide vacant employment land supply. There is a range of small-to-large parcels, with a mix of shovel-ready sites. Business attraction to this area may be difficult because of the parcel fragmentation, residential encroachment, location, and lack of vacant parcels.



Lococo's on Victoria Avenue.



Youngs Insurance Brokers on Regional Rd 57.



5.3.4.5 Highway 405 Employment Area

The Highway 405 Employment Area is abutting the north of the City's urban boundary, with direct access to Highway 405. It is located approximately 15 minutes from the Lewiston-Queenston Bridge border crossing to the U.S. It is a relatively small Employment Area with a scattered mix of residential lots and employment uses. Only three businesses exist here according to the Niagara Region 2019 Business Inventory. Of important note, Modern Landfill Inc. and Cotton Inc. are technically located outside the Employment Area to the north and west of Fruitbelt Pkwy. Modern Landfill and Cotton are significant employers within the City, having a staff of 106 and 187, respectively. There are no remaining vacant parcels within the Employment Area.



Cotton Inc., storage area located within the Employment Area, on Fruitbelt Parkway.

5.3.4.6 Q.E.W. Centre Employment Area

Located just north of the Montrose Road Industrial Area, sites within the Q.E.W. Employment Area benefit from proximity to the Q.E.W. interchange. Its employment density is the highest in the City at 45 jobs per net hectare (18 jobs per acre) containing approximately 920 jobs. To the left of the Q.E.W. there are more retail/commercial uses, while employment to the right of the Q.E.W. is largely comprised of two nursing homes employing over 100 persons each. There are no vacant employment lands remaining in this Employment Area.



Stamford Fireplaces on Oakwood Drive.



Battlefield Equipment Rentals (left) and Danceworks (right), on Oakwood Drive.



6893 Oakwood Drive Plaza.

5.3.4.7 Dorchester Road Employment Area

The Dorchester Road Employment Area is approximately five minutes from the Q.E.W. This is the City's smallest Employment Area with four businesses employing approximately 160 individuals. The predominant employment use is in manufacturing through Palfinger Inc., which has 122 employees. There are no designated vacant employment lands remaining in the Dorchester Road Employment Area.



WRB Sales & Marketing Inc., on Dorchester Road.



Storage One Self Storage on Dorchester Road.



Palfinger Inc., on Dorchester Road.

5.4 Employment Area Attractiveness

Building on the analysis completed in this chapter, the City's Employment Areas are assessed herein to better understand their potential to accommodate future employment growth. This is summarized in Figure 5-2. Consideration has been given to industry sector attractiveness, including the sectors that the industrial area is best suited to accommodate, and the strength of that area with regard to those sectors.

Qualitative observations are provided and categorized as follows:

- ✓ notes a positive rating of the industrial area with regard to the factor being examined;



- notes a neutral (i.e. neither positive, nor negative) rating of the industrial area with regard to the specific factor; and
- ✖ notes a negative rating for the industrial area with regard to the factor being examined.

Figure 5-2: Employment Area Attractiveness

Employment Area	Vacant Employment Land Supply	Intensification Opportunities	Industry Sector Attractiveness
Stanley Avenue Business Park	<ul style="list-style-type: none">▪ Limited opportunities for new development.▪ Five gross ha of vacant developable land remaining.▪ Only 1.5 ha considered to be shovel-ready.	<ul style="list-style-type: none">✓ Largest supply of underutilized parcels in the City. Containing 36% of the City's underutilized lands within Employment Areas.✖ Residential encroachment along Ramsey Road and Kister Road.	<ul style="list-style-type: none">▪ With limited parcels available for development, a significant increase in employment is unlikely. Future efforts can be focused on increasing densities through lease and redevelopment opportunities.▪ Unlikely to support future employment gains outside of established base sectors – manufacturing, wholesale trade, and construction.
Montrose Road Industrial Area	<ul style="list-style-type: none">▪ Opportunities for new development on vacant parcels are becoming constrained, with 11 ha of vacant land remaining in the park.✓ Approximately two-thirds of the vacant land supply is considered shovel-ready.▪ Many of the vacant parcels will likely be developed by 2021.	<ul style="list-style-type: none">✓ Second largest supply of underutilized parcels in the City. Containing 27% of the City's underutilized lands within Employment Areas.✓ The Montrose Road Industrial Area also contains the largest share of underutilized lands considered to have "high potential" for redevelopment and expansion.	<ul style="list-style-type: none">✓ Diverse employment base exists in the park, with a concentration in administrative and support, waste management and remediation services, construction, public administration, and manufacturing.✓ Opportunity for new knowledge-based development. Concentrix currently provides 160 knowledge-based jobs within the business park.
Q.E.W./420 Employment Area	✖ No vacant parcels remaining.	<ul style="list-style-type: none">▪ Approximately 9 ha of underutilized lands have been identified across 6 parcels.	✖ A strong concentration of employment within the manufacturing sector currently exists in the Employment Area. Retail trade represents the



Employment Area	Vacant Employment Land Supply	Intensification Opportunities	Industry Sector Attractiveness
		<ul style="list-style-type: none">✖ Two-thirds of the underutilized land supply can be considered to have a “high potential” for redevelopment, representing the second largest share of “high potential” Employment Area intensification opportunities.	<ul style="list-style-type: none">second largest source of employment, with all other forms of employment minimally dispersed throughout.With no vacant land remaining, future increases in employment densities will likely be achieved through the expansion of currently existing businesses. The employment makeup of this Employment Area is expected to remain the same.
North Secure Storage Employment Area	<ul style="list-style-type: none">✓ Sufficient vacant land supply of 43 gross ha, with a mix of parcel sizes.✓ Almost 80% of the vacant supply considered as shovel-ready, representing a majority of the City’s shovel-ready supply.	<ul style="list-style-type: none">▪ Minimal intensification opportunities currently exist.▪ Four parcels identified as underutilized, all considered to have “low potential.”▪ Residential encroachment and no direct highway access without utilizing residential streets.	<ul style="list-style-type: none">✓ Large vacant parcels to the north of the Employment Area available for a wider range of potential industrial uses.▪ Parcel fragmentation leads to a lack of “campus-like” setting. Supportive of more standalone uses.▪ Diverse employment base, with no discernable industry concentration existing. Opportunity for potential office/knowledge-based uses, such as Youngs Insurance Brokers Inc., which currently employs 140 individuals.▪ Tourist uses adjacent to Employment Area along the Niagara Parkway. Businesses such as Great Wolf Lodge and Niagara Helicopters Ltd., currently function to the east of the Employment Area.
Highway 405 Employment Area	<ul style="list-style-type: none">✖ No vacant land remaining.	<ul style="list-style-type: none">✓ Intensification opportunities exist in the Employment Area. Eight underutilized parcels exist, with a range of development potential.	<ul style="list-style-type: none">▪ Heavier industrial uses currently exist with Modern Landfill Inc. and Cotton Inc. located directly to the west of the Employment Area. Together these companies employ 106 and 187 staff in the waste management and construction sectors, respectively.



Employment Area	Vacant Employment Land Supply	Intensification Opportunities	Industry Sector Attractiveness
		<ul style="list-style-type: none">✖ Residential lots are scattered throughout the Employment Area.	<ul style="list-style-type: none">✖ Outside of the above two companies, less than ten jobs exist in the Employment Area according to the Niagara Region 2019 Business Directory.▪ If intensification opportunities arise, industrial uses can be accommodated with immediate access to Highway 405 and the close distance to the Lewiston-Queenston Bridge.
Q.E.W. Centre Employment Area	<ul style="list-style-type: none">✖ No vacant parcels available for development.	<ul style="list-style-type: none">✖ Intensification opportunities exist to the east of the Q.E.W.✖ Four ha of underutilized lands, with "low" to "high" potential.	<ul style="list-style-type: none">▪ Future redevelopment opportunities would best accommodate manufacturing and construction uses, considering the current employment base.▪ Large base within the health care and social assistance sector, generated by nursing home employment.✓ Highway exposure and close proximity to retail amenities on McLeod Road.
Dorchester Road Employment Area	<ul style="list-style-type: none">✖ No vacant parcels remaining.	<ul style="list-style-type: none">✖ One potential underutilized site on Quantum Niagara Gymnastics property.	<ul style="list-style-type: none">▪ Redevelopment opportunities would best accommodate manufacturing and construction uses, considering the current employment base.

5.5 Key Stakeholder Interviews

Key stakeholders were interviewed to better understand the current state of the City's employment lands in terms of their market supply potential, relative strengths and weaknesses by geographic location, and overall market competitiveness. These interviews also provided the ground insight in developing a cohesive vision related to the City's Employment Areas and, more broadly, future local economic opportunities.



The Consultant Team worked with City staff to develop a list of stakeholders to interview, with the goal being to obtain a cross-section of stakeholders across different industry sectors and organizations that would provide local insight into the City's existing economy and emerging industries. Key stakeholders interviewed include Regional staff, City staff and departments, industrial brokers, and local industrial-based employers. Stakeholders were contacted and invited to participate in telephone interviews with the Consultant Team in the spring of 2020.

The key takeaways from these interviews are as summarized below:

- **There was overall agreement that the City is well-positioned to attract economic activity and improve its competitiveness in the long term; however, it was expressed that a lack of vacant, shovel-ready employment land is preventing successful attraction efforts.** Stakeholders expressed that the City needs more vacant employment land that is not environmentally constrained, has municipal servicing, and is not suffering from residential encroachment. The City's employment lands are expensive to service and parcels that are not shovel-ready are far less desirable to outside developers. Stakeholders also expressed concerns regarding residential encroachment making the City's employment lands less desirable. Potential manufacturing companies do not want to commute through the City's residential areas or absorb the potential risk associated with paying for land-use compatibility mitigation measures (e.g. conducting noise audits or building retaining walls).
- **Stakeholders generally agreed that there is demand from the G.T.H.A. for employment land in Niagara Falls, following a “build it and they will come” mentality.** Previous success marketing the Montrose Road Industrial Area employment lands points to the City's ability to capture developer demand, and the relocation of small to medium-sized G.T.H.A. companies. The City is poised to capture G.T.H.A., industrial developers looking outwards for vacant, serviced employment land, yet Hamilton is currently absorbing most of this outward pressure. Stakeholders have claimed that G.T.H.A. developers are cautious to purchase land in Niagara Falls, preferring leasing opportunities because of the reduced risk – this may change as Hamilton's available industrial supply slowly becomes absorbed. With Niagara Falls industrial lease rates not significantly cheaper than the G.T.H.A., the City will have a difficult time attracting this outward industrial pressure.



- Some stakeholders viewed the City's proximity to the U.S. border as a strategic advantage in attracting developer demand, while others viewed this as an overstated growth driver.
- Stakeholders discussed that competition to attract development exists within the Niagara Region. The City has recently lost industrial interest to Welland and Thorold where there is a perception of greater shovel-ready supply and larger parcel sizes.
- **In order to capitalize on the above characteristics and avoid missed opportunities in attracting businesses and emerging industries, there is a consistent need for varied types of Employment Areas (e.g. size, location, configuration, amenities, etc.), but more specifically there is a need for large, serviced, and developable Employment Areas.** Stakeholders expressed that there is an overall challenge to attract new businesses and encourage existing businesses to scale-up because of limited market supply of Employment Areas in the City. Overall, stakeholders agreed that in the absence of varied types of Employment Areas, the City's market supply potential and attractiveness can become strained. It also has the potential to limit the types of sectors that the City and Niagara Region could support and/or pursue. This is concerning given the changing nature of employment and need to capitalize on emerging knowledge-based and services-producing sectors in the near term.
 - The development of a new Employment Area south of the City's urban boundary was a consistent suggestion from stakeholders.
- **The final key theme discussed among stakeholders focused on the types of employment the City can attract through its Employment Areas as well as the nature of industrial parcels required to accommodate these target industries.** Stakeholders discussed Niagara Falls' previous success in attracting food-related industries to the City. There has been a dedicated effort to move away from low-density employment uses, such as logistics operations, towards knowledge-based employment. The development of a potential medical business park adjacent to the City's new hospital is an example of the desired employment land uses moving forward. The City's supply of vacant employment land is not currently supportive of new operations within such industries, because smaller parcel sizes cannot support operations with long-term expansion visions. Maintaining an adequate supply of larger parcel sizes will be important for the City of Niagara Falls moving forward. While some stakeholders expressed the need for larger parcel sizes, others referenced past business attraction to the



Montrose Road Industrial Area, where parcel sizes had to be reduced to accommodate developer demand.

5.6 Observations

The City faces a number of opportunities and challenges with respect to the management and growth of its existing and future Employment Areas in light of the evolving structural changes in the economy and disruptive factors which continue to influence the nature of the economy. One of these challenges relates to macro-economic trends over which the City has limited control. This includes the relative strength of the global economy, international trade policy and the competitiveness of the Canadian economic base relative to other established and emerging global markets.

In contrast to the above, Niagara Falls has considerable control and ability to position itself in a positive manner when considering the City's regional competitive ranking. A major factor for the future competitiveness of the City's economic base relates to the structure, quality, and "readiness" of its employment lands. Over the next several decades the City's employment base is anticipated to steadily grow across a broad range of export-based and population serving employment sectors – growth within knowledge-based sectors will be an attraction effort for the City. The City, however, will be competing to attract and retain these sectors with other municipalities across the G.G.H. and beyond. To accommodate the steadily growing economic base the City's land-use planning policies must anticipate the evolving nature of the local and regional economies and reflect the diverse needs of industry and businesses of all sizes over the long term. To ensure the long-term competitiveness, growth, and diversity of the City's economy, planning and marketing efforts must be geared toward the broader strengths of the City and its communities, specific target sector investment attraction efforts, and an adequate supply of quality, shovel-ready lands within Employment Areas.

The supply of vacant employment land within the City of Niagara Falls is diminishing, with 95 gross ha (235 acres) remaining. Almost two-thirds of the vacant land supply is located within Employment Areas, with the remaining land spread throughout the Niagara Falls urban boundary. While there are opportunities within the City for intensification, the availability of future land uses is subject to speculation and is not necessarily a reliable indicator of readily developable land supply. As such, focus should be given to the vacant employment land within the City considered to be shovel-



ready – of the total vacant land supply, 60 gross ha can be considered shovel-ready. As Chapter 5 has demonstrated, a majority of this shovel-ready land exists within the North Niagara Falls Secure Storage Employment Area. The Stanley Avenue Business Park is nearly built-out due to environmental constraints and the Montrose Road Industrial Area will likely be approaching buildout in the next few years. As such, business attraction efforts within the City's Employment Areas will be focused toward the North Niagara Falls Secure Storage Employment Area. The age of this Employment Area and the vacant land supply remaining is indicative of business attracting efforts proving difficult. As discussed, many of the parcels within this Employment Area are fragmented, suffer from residential encroachment, and do not offer direct Q.E.W. exposure. The availability of shovel-ready land outside this Employment Area is dwindling.

Having a sufficient supply of shovel-ready lots is vital in attracting new business operations to the City. Stakeholders expressed the importance of this shovel-ready land, as well as the need for a range of different parcel sizes to attract different industry types, employment lands that are not compromised by residential encroachment, and parcels that are located with direct Q.E.W. access. As the supply of vacant, shovel-ready supply continues to shrink, attracting target employment sectors to the City will become an increasingly more difficult task. As such, there will be a need to explore future Employment Area development within the City of Niagara Falls, to ensure that a range of shovel-ready parcel sizes are available to attract target sectors.



Chapter 6

Employment Forecast and Employment Area Land Demand to 2051



6. Employment Forecast and Employment Area Land Demand to 2051

6.1 Overview of City of Niagara Falls Employment Forecast, 2016 to 2051

Schedule 3 in the Growth Plan, 2019, was updated in August, 2020, including a revised Niagara Region population and employment forecast to the year 2051.¹ As part of the Niagara Region Municipal Comprehensive Review, these Schedule 3 growth forecasts have been allocated by area municipality.² Accordingly, the Regional M.C.R. employment forecast for the City of Niagara Falls to 2051 has been summarized herein.

Employment land employment (ELE) and population-related employment (PRE) employment growth is the key focus of the 2051 forecast, as only growth within these employment categories is expected to generate a land demand within the City's Employment Areas. Key observations regarding the 2051 City of Niagara Falls employment forecast by type are as follows:

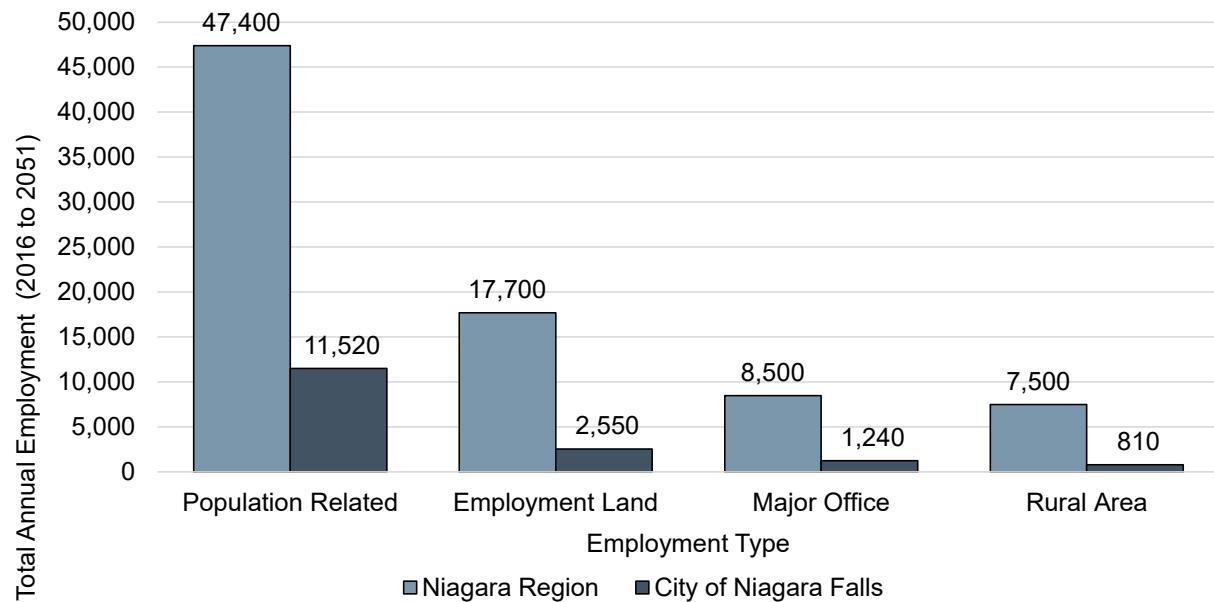
- Employment Land Employment (ELE) jobs are forecast to increase by 2,550 between 2016 to 2051, reflecting an annual increase of 73 jobs. This Niagara Falls job allocation in ELE represents 14% of the Region-wide growth; and
- Population-Related Employment (PRE) jobs in Niagara Falls are forecast to increase by from approximately 28,910 to 40,430, representing an increase of 11,520 jobs. The City's PRE job growth represents 24% of the Regional allocation.

¹ In accordance with Schedule 3 of A Place to Grow: Growth Plan for the Greater Golden Horseshoe, Office Consolidation 2020, Ontario.

² Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051 Memorandum. April 5, 2021. Hemson Consulting Ltd.



Figure 6-1
Employment Forecast for Niagara Region and the City of Niagara Falls, 2016 to 2051



Source: Derived from Hemson Consulting Ltd. Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051 Memorandum, April 5, 2021, by Watson & Associates Economists Ltd., 2021.

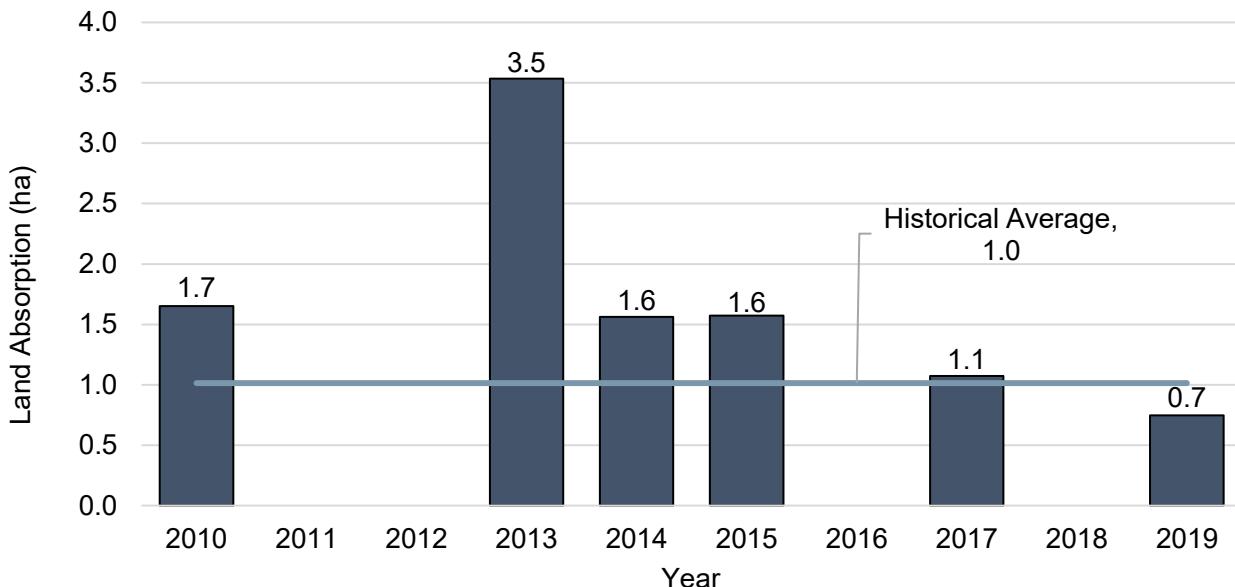
6.2 City of Niagara Falls Employment Base and Existing Conditions

6.2.1 Recent Employment Land Absorption Activity, 2010 to 2019

Figure 6-2 summarizes recent absorption on employment lands in the City of Niagara Falls from 2010 to 2019. The City's Employment Areas have averaged 3,300 sq.m (35,500 sq.ft.) annually in non-residential building activity over the 2010 to 2019 period, which accounts for only 11% of City-wide non-residential development activity. Roughly half the non-residential development activity within the industrial sector occurred within the City's Employment Areas (see Appendix B for more details). During this period, a total of approximately 10 ha (25 acres) have been absorbed in the City's Employment Areas, which represents an average of 1 ha (2.5 acres) per year. Recent employment absorption activity has primarily been in the newly developed Montrose Road Industrial Area with 62% of the total absorption over the 2010 to 2019 period. . A review of the City's site plan activity indicates there is one potential development of a two-storey industrial building in the Stanley Avenue Business Park (on approximately 1.5 ha) which is anticipated to be absorbed in 2020.



Figure 6-2
City of Niagara Falls
Absorption within Employment Areas (Gross ha), 2010 to 2019



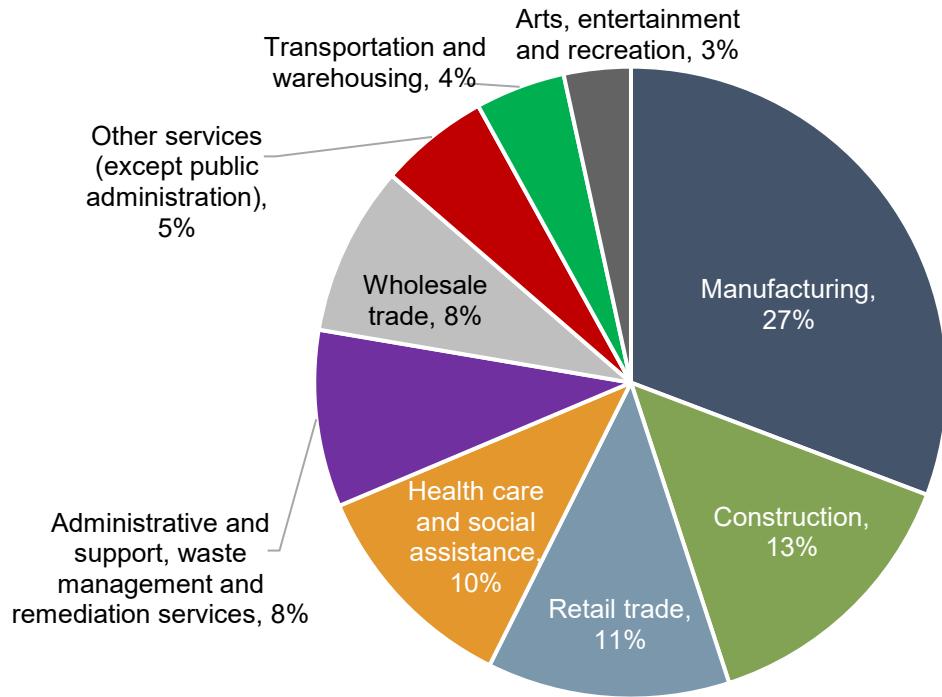
Source: Derived from City of Niagara Falls building permits and G.I.S. data, 2010 to 2019, by Watson & Associates Economists Ltd., 2020.

6.2.2 City of Niagara Falls Existing Employment Structure Within Employment Areas

Existing developed and designated urban Employment Areas within the City of Niagara Falls accommodate approximately 5,300 jobs, representing approximately 15% of the employment base. As illustrated in Figure 5-2, 27% of local employment within Employment Areas is concentrated in the manufacturing sector, followed by moderate shares within construction; retail trade; and health care and social assistance. The remaining employment is largely concentrated in other service-oriented sectors. Similar trends exist on the City's employment lands outside Employment Areas, where 41% of jobs are in the manufacturing sector, followed by wholesale trade with 17%.



Figure 6-3
Share of Employment in Niagara Falls Employment Areas by Major Sector, 2019



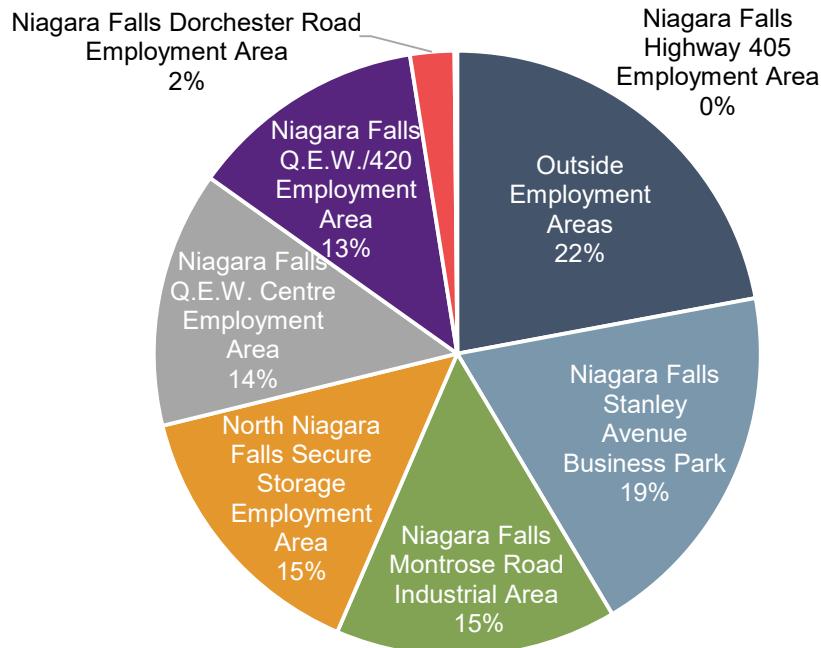
Source: Niagara Region Business Directory, 2019, by Watson & Associates Economists Ltd., 2020.

Employment lands in the City of Niagara Falls are home to approximately 320 businesses, with roughly 6,800 jobs.¹ Figure 6-4 displays the share of the jobs by Employment Area and remaining employment lands. The City's employment lands outside Employment Areas account for the largest share of employment land employment, with 22%. The Stanley Avenue Business Park and Montrose Road Industrial Area account for the next largest share of employment, with 19% and 15%, respectively.

¹ As reported in the 2019 Business Directory. This figure does not account for jobs not captured in the Business Directory Survey.



Figure 6-4
Share of Employment on Employment Lands by Number of Employees



Source: Niagara Region Business Directory, 2019, by Watson & Associates Economists Ltd., 2020.

6.2.3 City of Niagara Falls Employment Areas Employment Density and Building F.S.I.

In accordance with the identified employment within developed Employment Areas across the City of Niagara Falls, the City-wide average employment density within Employment Areas is 18 jobs per net ha (7 jobs per net acre), as presented in Figure 4-9. The highest employment densities are found within the Q.E.W. Centre Employment Area, with an average of 51 jobs per net hectare (21 jobs per net acre). The Montrose Road Industrial Area and Stanley Avenue Business Park are located further from the inner City and maintain employment densities of 17 and 16 jobs per net hectare, respectively. These business parks exhibit slightly lower employment densities compared to the City-wide average.

Average building floor space index (F.S.I.), often referred to as building lot coverage for single-storey industrial areas, also provides a good indication of general land utilization.¹ The average F.S.I. regarding occupied Employment Areas in the City of

¹ F.S.I. (Floor Space Index) calculated by building G.F.A./net parcel size.



Niagara Falls is 11%, as shown in Figure 5-4. The F.S.I. is highest in Dorchester Road Employment Area, followed by the Q.E.W./420 Employment Area and the Stanley Avenue Business Park, which range between 14% and 19%. The F.S.I. is considerably lower in the remaining Employment Areas. Montrose Road Industrial Area has a low F.S.I. of 6% which is likely attributed to larger parcels and a lack of manufacturing uses that would otherwise require larger building footprints.¹ Compared to other Employment Areas, employment within the Montrose Road Industrial Area is comprised of only 11% manufacturing, which is considerably lower than the City-wide average of 27%.

Figure 6-5
City of Niagara Falls Employment Lands Employment Density and F.S.I.

Employment Area	Employment Density (Jobs/gross ha)	F.S.I.
Montrose Road Industrial Area	17	6%
Q.E.W. Centre Employment Area	51	12%
North Niagara Falls Secure Storage Employment Area	11	10%
Stanley Avenue Business Park	16	14%
Highway 405 Employment Area	8	3%
Q.E.W./420 Employment Area	25	16%
Dorchester Road Employment Area	43	19%
Employment Area Average	18	11%

Source: Employment density provided by the Niagara Region. F.S.I. derived from Niagara Region Business Directory, 2019 and G.I.S. data, by Watson & Associates Economists Ltd., 2020.

6.3 Employment Land Demand, 2020 to 2051

Employment Areas accommodate primarily export-based employment, including a wide range of industrial uses (e.g. manufacturing, distribution/logistics, transportation services), as well as specific population-related uses (e.g. office, services, ancillary/accessory retail). In contrast to other urban land uses (e.g. commercial and mixed-use areas), Employment Areas provide an opportunity to accommodate export-based employment sectors that cannot be easily accommodated in other areas of the City. In order for Niagara Falls to continue to be competitive and attractive to a broad

¹ Further to these trends, many of the parcels within the Montrose Road Industrial Area have been sold and are in the pre-development stage. As these businesses are built, total employment will rise.



range of industrial and commercial sectors, the City needs to ensure that it has a sufficient supply and market choice of serviced Employment Areas. Most notably, this should include medium to larger sites with good transportation access as well as other local/regional transportation infrastructure. Historically, industrial lands outside of Employment Areas have captured a significant share of employment land employment in the City. Future planning efforts should focus on directing employment land employment towards Employment Areas and avoiding the future designation of industrial lands outside of Employment Areas. Refer to Chapter 7 for additional direction regarding industrial areas outside of Employment Areas.

Anticipated Employment Area land needs within the City of Niagara Falls should give consideration to the following:

- Long-term employment land employment growth potential;
- Forecast employment density assumptions (i.e. employees/net hectare or acre) in Employment Areas;
- Trends in forecast Employment Area absorption; and
- The amount of vacant, developable land within Employment Areas across the City Niagara Falls.

Figure 6-6 summarizes the City of Niagara Falls' Employment Area forecast from 2020 to 2051.¹ Over the long-term planning horizon, Niagara Falls Employment Areas are anticipated to accommodate approximately 18% of the City's total employment growth, totaling 3,450 employees. Employment Areas within the City are expected to accommodate 100% of City-wide employment land employment and 5% of forecast population-related employment.

¹ Derived from Hemson Consulting Ltd. Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051 Memorandum, April 5, 2051. Employment estimates to 2051 use a 2020 base year, as interpolated between the 2016 and 2021 employment forecast in the above referenced memorandum.



Figure 6-6
City of Niagara Falls Employment Growth on Employment Areas, 2020 to 2051

Employment Type	City of Niagara Falls Employment Growth by Type		% in Employment Areas
	2020-2051	2020-2051	
Major Office	1,170	-	0%
Population Related	14,740	720	5%
Employment Land	2,730	2,730	100%
Rural Area	840	-	0%
Total Employment	19,480	3,450	18%

Source: Derived from Hemson Consulting Ltd. Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051 Memorandum, April 5, 2021, by Watson & Associates Economists Ltd., 2021.

In accordance with the City's long-term employment forecast, Figure 6-7 summarizes forecast Employment Area demand from 2020 to 2051 in 5-year increments. Based on a review of the City's occupied and underutilized Employment Areas, a 10% employment intensification¹ assumption has been made on Employment Areas. Assuming an average target density on Employment Areas of 25 jobs per gross ha (10 jobs per gross acre)², the City of Niagara Falls is forecast to absorb an average of 4 gross ha (10 gross acres) of Employment Area per year over the next 26 years, generating a total land demand of 124 gross ha (306 gross acres) over the long-term planning horizon.

¹ Intensification can refer to expansion of existing buildings, additional development on partially vacant Employment Area, and/or infill development.

² Existing density of 18 jobs per gross Ha in the City's Employment Areas. Densities are expected to increase in line with changes to forecast employment structure. Assumption of 25 jobs per net hectare was developed through conversations with City of Niagara Falls staff.



Figure 6-7
City of Niagara Falls
Forecast Employment Area Land Demand, 2020 to 2051

Growth Period	City of Niagara Falls											
	Employment Growth in Employment Area			Employment Density (Jobs per gross ha)	Total Employment Area Land Demand (Gross ha)	Average Annual Employment Area Land Demand (Gross ha)						
	Total Employment in Employment Areas	Intensification in Employment Areas - 10%	Total Employment in Employment Areas Adjusted for Intensification			A	B	C = A - B	D	E = C / D	F	
2020-2026	670	67	603	25	24	4						
2020-2031	990	99	891	25	36	3						
2020-2036	1,440	144	1,296	25	52	3						
2020-2041	2,000	200	1,800	25	72	3						
2020-2046	2,700	270	2,430	25	97	4						
2020-2051	3,450	345	3,105	25	124	4						

Source: Derived from Henson Consulting Ltd. Niagara Region Municipal Comprehensive Review – Growth Allocation Update to 2051 Memorandum, April 5, 2021, by Watson & Associates Economists Ltd., 2021.

In conjunction with the conversion recommendations presented in Chapter 7, Figure 6-8 summarizes the City's supply of net developable vacant lands in Employment Area as of mid-2020, adjusted for conversions. In total, 60 gross hectares (148 gross acres) of vacant developable Employment Areas have been identified; with a majority of the vacant lands within the North Niagara Falls Secure Storage Employment Area.

Figure 6-8
City of Niagara Falls
Employment Area Supply (Ha)

Location	Vacant Industrial Lands, ha				
	Total Gross Land Area (ha)	Environmental Constraints Adjustment ¹	Net of Internal Infrastructure ²	Net Developable Employment Land Supply	Percentage of Vacant Employment Area Land Supply
					A
Montrose Road Industrial Area	11	0	0	11	19%
Q.E.W. Centre Employment Area	0	0	0	0	0%
North Niagara Falls Secure Storage Employment Area	44	0	2	43	73%
Stanley Avenue Business Park	5	0	0	5	8%
Highway 405 Employment Area	0	0	0	0	0%
Q.E.W./420 Employment Area	0	0	0	0	0%
Dorchester Road Employment Area	0	0	0	0	0%
Industrial Lands Outside of Employment Areas	0	0	0	0	0%
Total	60	0	2	58	100%

Source: Watson & Associates Economists Ltd., 2020.

1. Take-outs have been calculated in accordance with the Growth Plan, 2020. Take-outs include environmental features, major roads and hydro corridors.

2. Net of internal infrastructure (Column E) has been calculated based on parcel fabric (excludes local roads, parks and other non-developable features) and a downward adjustment to large parcels (greater than 10 ha/25 acres) of 10% for internal infrastructure.



Figure 6-9 summarizes forecast Employment Area land needs for the City of Niagara Falls over the long-term planning horizon. In accordance with the City's supply of designated, developable vacant urban Employment Areas and forecast demand for these lands, a deficit of 64 gross ha (158 gross acres) has been identified by 2051.

Figure 6-9
City of Niagara Falls
Forecast Employment Area Land Needs (Demand vs. Supply), 2020 to 2051

City of Niagara Falls Employment Areas		Land Need
Employment Growth 2020-2051	A	3,105
Employment Area Demand at 2051	B	124
Employment Density (Jobs per gross ha)	C = A / B	25
Vacant Employment Area (gross ha)	D	60
Land Vacancy Adjustment (20%)	E = D * 20%	12
Vacant Developable Employment Area (gross ha)	F = D - E	48
Employment Area Surplus/Shortfall at 2051	G = F - B	(76)

Source: Watson & Associates Economists Ltd., 2021.

Some of the City's vacant employment land parcels will likely not develop over the planning horizon, due to small size, fragmentation, odd configuration, access issues, inactivity/land banking, etc., which may tie up potentially developable lands. Long-term land vacancy is a common characteristic that is experienced in Employment Areas across Ontario. For the purpose of this analysis, an estimate of 20% long-term land vacancy has been applied to the net developable employment land inventory. Adjusted for land vacancy, the City's long-term land need is 76 gross ha (188 gross acres).

The Niagara Region is exploring location options for a South Niagara Falls Water Treatment Plant. A new treatment plant will have a sizable land area requirement (64 hectares) that may be accommodated in a future Employment Area.¹ To service this facility there will also be a need for new pumping stations in south Niagara Falls. If the planned pumping station is to be developed within a new Employment Area, additional land may be required to facilitate this treatment facility beyond 76 gross ha (188 gross acres). It is also noted that gross Employment Area land needs identified herein exclude lands associated with non-developable natural environmental features.

¹ South Niagara Falls Wastewater Solutions Schedule C Class Environmental Assessment, Public Information Centre No. 3, March 11, 2020.



Chapter 7

Employment Land Conversion Review



7. Employment Land Conversion Review

7.1 Designated Employment Lands for Review and Potential Conversion

In consultation with City of Niagara Falls staff, the Consultant Team has assessed a number of candidate sites on employment lands which may be appropriate to convert to a non-employment uses. This exercise was completed within the framework of the Growth Plan, 2019 and the 2020 P.P.S. as well as site-specific evaluation criteria which are discussed below. In total, the City has identified seven sites for review in this regard. An overview of these sites is provided in Figure 7-1.

Figure 7-1
City of Niagara Falls
Properties with Pressure for Conversion

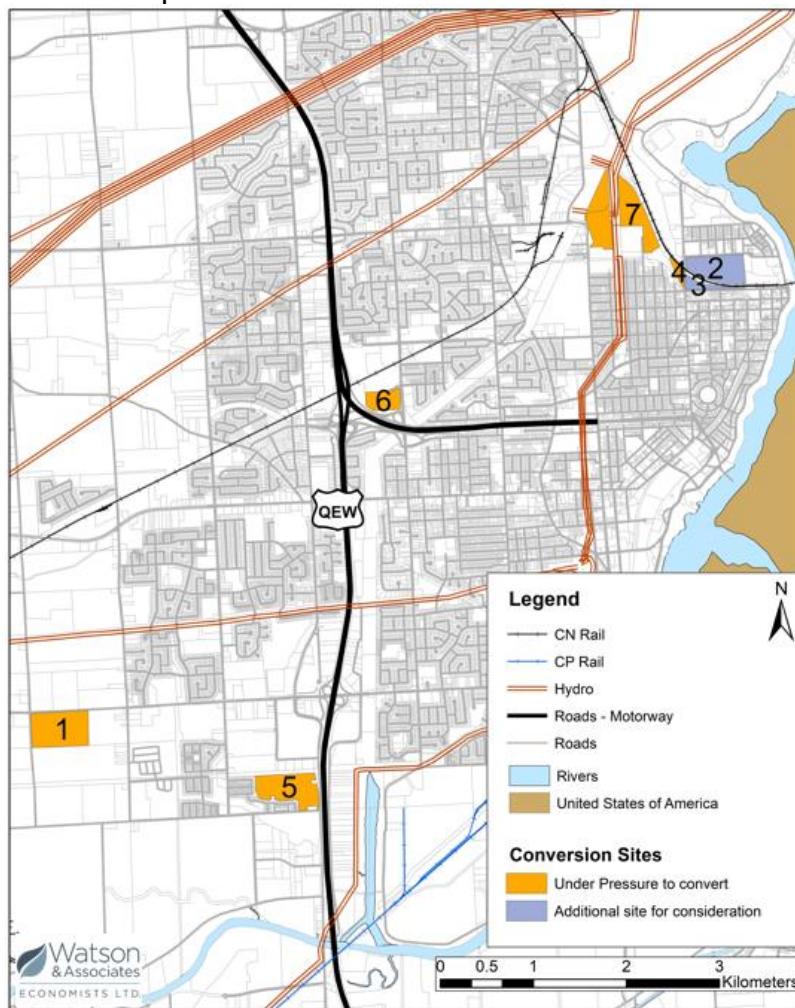




Table 7-1
City of Niagara Falls
Candidate Employment Land Sites for Conversion to a Non-Employment Use

Site #	Site Address	OP Designation/Zoning	Conversion Request by Owner	Current Use of Site	Site Area (ha)
1	9304 McLeod Road	Industrial	No	Industrial	19
2	MTSA Site 1 (South of Butterly Street)	Industrial	No	Employment, as identified in Schedule A-5 (Transit Station Secondary Plan Area)	16
3	MTSA Site 2 (North of Bridge Street)	Industrial	No	Employment, as identified in Schedule A-5 (Transit Station Secondary Plan Area)	3
4	MTSA Site 3 (4431 Victoria Avenue)	Industrial	Yes	Employment, as identified in Schedule A-5 (Transit Station Secondary Plan Area)	2
5	7983-8003 Montrose Road	Industrial + Environmental Protection to west	No	Industrial + Environment Protection Area + Open Space	20
6	5259 Dorchester Road	Major Commercial	No	Major Commercial	8
7	Stanley Avenue	Industrial	No	Industrial / Brownfield Pilot	31

7.1.1 Definition and Requirements for Employment Land Conversions

The Growth Plan, 2019 and P.P.S, 2020 provide a framework for assessing the conversions of lands within Employment Areas. The following briefly summarizes the Growth Plan, 2019 policies in regard to Employment Area conversions (policies 2.2.5.9 and 2.2.5.10):



Municipal Comprehensive Review:

- Conversions of Employment Areas in the City to non-employment uses may be permitted only through a Regionally-initiated M.C.R., based on the following criterion:
 - there is a need for the conversion;
 - the lands are not required over the horizon of this Plan for the employment purposes for which they are designated;
 - the municipality will maintain sufficient employment lands to accommodate forecasted employment growth to the horizon of this Plan;
 - the proposed uses would not adversely affect the overall viability of the Employment Area or the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan; and
 - there are existing or planned infrastructure and public service facilities to accommodate the proposed uses.

Outside a Municipal Comprehensive Review:

- Lands within an existing Employment Area may be converted to non-employment uses outside a Regionally-initiated M.C.R. (until the next M.C.R) where certain criterion can be met:
 - There is a need for the conversion;
 - the proposed uses would not adversely affect the overall viability of the Employment Area or the achievement of the minimum intensification and density targets in this Plan, as well as the other policies of this Plan; and
 - there are existing or planned infrastructure and public service facilities to accommodate the proposed uses.
 - the conversion must maintain a “significant number” of jobs on the subject lands through the establishment of a development criteria; and
 - the site must not be a part of a provincially significant employment zone P.S.E.Z).

Subsection 2.2.5.11 of the Growth Plan, 2019 further states that any change to an O.P. to permit new or expanded opportunities for major retail in an Employment Area may only occur in accordance with policy 2.2.5.9 or policy 2.2.5.10, as previously summarized for the criteria for the M.C.R.



The P.P.S., 2020 provides further direction with respect to the conversion of Employment Areas to non-employment uses. Subsection 1.3.2.2. of the 2020 P.P.S. states:

“Planning Authorities may permit conversion of lands within employment areas to non-employment uses through a comprehensive review, only where it has been demonstrated that the land is not required for employment purposes over the long term and that there is a need for the conversion.”

Within the context of the City of Niagara Falls, all but one of the industrial sites being evaluated for conversion to a non-employment use fall outside of Employment Areas. The Growth Plan, 2019 provides a less prescriptive framework for the conversion of employment lands outside of Employment Areas. According to section 2.2.5.14 of the 2019 Growth Plan, employment lands that fall outside of Employment Areas should follow a development criterion “to ensure that the redevelopment of any employment lands will retain space for a similar number of jobs to remain accommodated on site.”

7.1.2 *Evaluation Criteria*

In addition to the employment land conversion criteria established in the P.P.S., 2020 and the Growth Plan 2019, each candidate site has also been reviewed subject to a site-specific evaluation based on a broad range of criteria as listed below:

- Site is located outside an established or proposed industrial/business park;
- Site is isolated from surrounding designated employment lands;
- Site is surrounded by non-employment land uses on at least three sides;
- Conversion would not create incompatible land uses;
- Conversion of site will not negatively affect employment lands in the area;
- Conversion would be consistent/supportive of City policy planning objectives;
- Conversion doesn't contravene any City policy planning objectives;
- Site offers limited market choice for employment lands development due to size, configuration, physical conditions, or other constraints; and
- Site does not offer potential future expansion on existing or neighbouring employment lands.



7.2 Potential Conversion Sites

To ensure protection of employment lands, it is important to consider on a site-by-site basis, the potential impact of a conversion on the City's existing and developing employment lands. These evaluation criteria are discussed through a site-by-site analysis below and are summarized in Figure 7-2. Of the seven candidate sites considered for analysis, four sites have been recommended for conversion to a non-employment use.



Figure 7-2
City of Niagara Falls
Planning and Economic Considerations and Evaluation of Potential Conversion Sites

- A Site is located outside or on the fringe of an employment area
- B Site is isolated from surrounding designated employment lands
- C Site is surrounded by non-employment land uses on at least three sides
- D Conversion would not create incompatible land uses
- E Conversion of site will not negatively affect employment lands in the area
- F Conversion would be consistent/supportive of City and Region's policy planning objectives
- G Conversion doesn't contravene any City and Region's policy planning objectives
- H Site offers limited market choice for employment lands development due to size, configuration, physical conditions, other
- I Site does not offer potential for future expansion by neighbouring employment lands

Site #	Site Name	A	B	C	D	E	F	G	H	I	Recommendation
1	9304 McLeod Road										Recommended for Conversion
2	MTSA Site 1 (South of Buttery Street)										A conversion is not recommended. Considering widening permissions for allowing transit-supportive mixed use development compatible with the Transit Station Area.
3	MTSA Site 2 (North of Bridge Street)										Recommended to be converted to a Mixed Use 2 designation in accordance with the City of Niagara Falls Transit Station Secondary Plan.
4	MTSA Site 3 (4431 Victoria Avenue)										Recommended to be converted to a Mixed Use 2 designation in accordance with the City of Niagara Falls Transit Station Secondary Plan.
5	7983-8003 Montrose Road										Not Recommended for Conversion
6	5259 Dorchester Road										Not Recommended for Conversion
7	Stanley Avenue										Not Recommended for Conversion

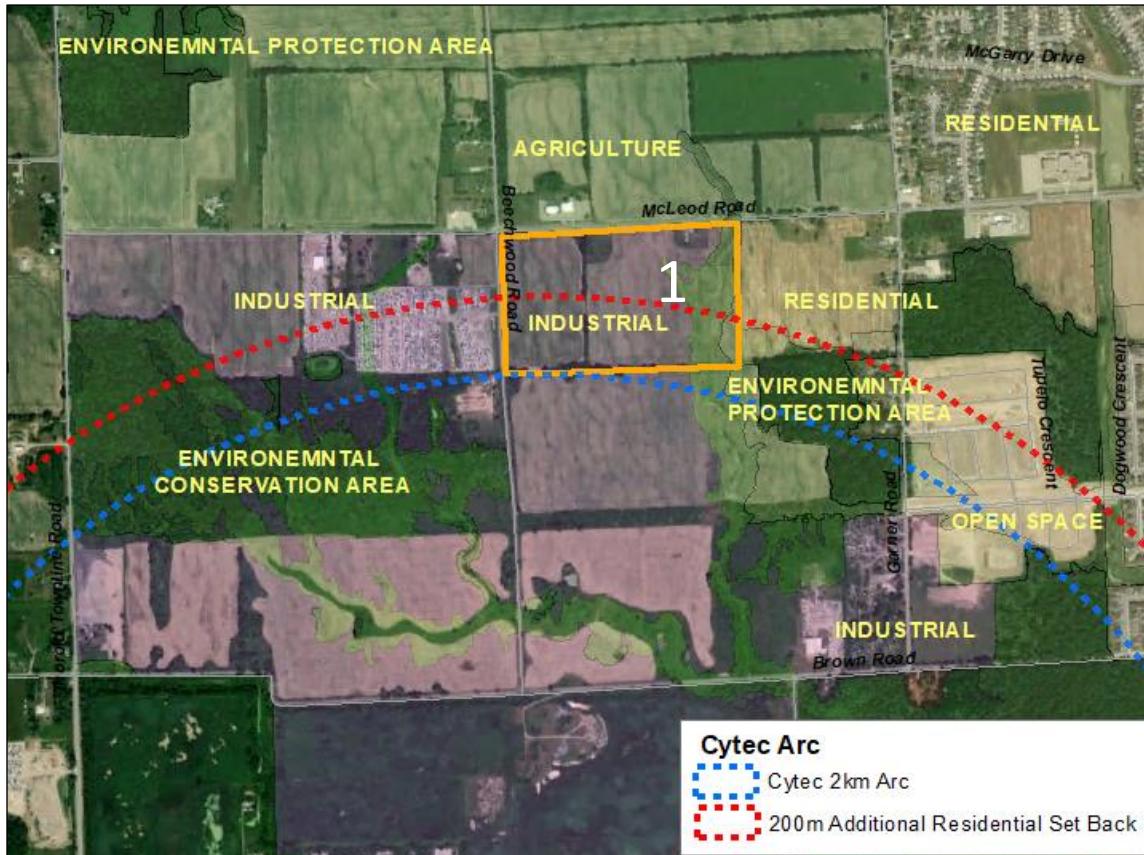


7.2.1 Sites Recommended for Conversion

Site 1: 9304 McLeod Road (Part 1 & 2 - 59R-16846)

The subject site is 19 gross ha (47 acres) and is located at the intersection of McLeod and Beechwood Road, falling outside of the 2km Solvay arc but partially within the 200m residential setback.¹ As identified in Figure 7-3, the subject site is vacant and adjacent to designated industrial, agricultural and residential lands.

Figure 7-3
City of Niagara Falls
Site 1 - 9304 McLeod Rd (Part 1 & 2 - 59R-16846)



¹ According to 2.3.1. of the City of Niagara Falls O.P., residential development within this 200m setback is limited to single-detached dwelling units on larger lots. The building height shall be a maximum of 2.5 storeys or 8 metres, whichever is the lesser, in accordance with the implementing zoning by-law.



While designated industrial, there is no industrial development on or around the site – the site has historically not been able to attract businesses. The lands west of Beechwood Road, north of Brown Road are heavily impacted by Provincially Significant Wetlands. When considering the size of the wetlands in combination with their required setback, makes these constrained lands unlikely to develop for industrial purposes. Further, the requirement to travel through residential neighbourhoods from the nearest Q.E.W. interchange and the residential encroachment to the east along McLeod Road, makes this an unattractive site for industrial uses. In alignment with recommendations regarding the industrial lands surrounding Solvay (see the Site 13 discussion for further detail), this parcel is recommended to be converted away from an industrial designation.

Site 2: GO Transit Station MTSA Industrial Lands

As shown in Figure 7-4, Site 2 is approximately 16 hectares and is adjacent to the future location of the Niagara Falls GO Transit Station. Under the Transit Station Secondary Plan, the subject lands are designated as Employment. It is recommended that a wider range of land use permissions be considered for the Site 2 to promote more transit-supportive development, subject to demonstrating that the proposed development would cause a minimal degree of land use compatibility concerns. A wider range of land use permissions would help to promote development in proximity to the station and support on-going revitalization efforts in the Downtown.

Site 3: Bridge Street Industrial Lands

As displayed in Figure 7-4, Site 3 is located to the North of Bridge Street and represents a cluster of parcels totaling three hectares, a majority of which contributing to the City-wide vacant industrial land supply. The parcels within Site 3 are recommended to be converted to a Mixed Use 2 designation, in accordance with the Niagara Falls Transit Station Secondary Plan. A conversion is supported through the conversion criteria evaluation and the vacant parcels within this site have already been the subject of development interest for mid- to high-rise residential development.

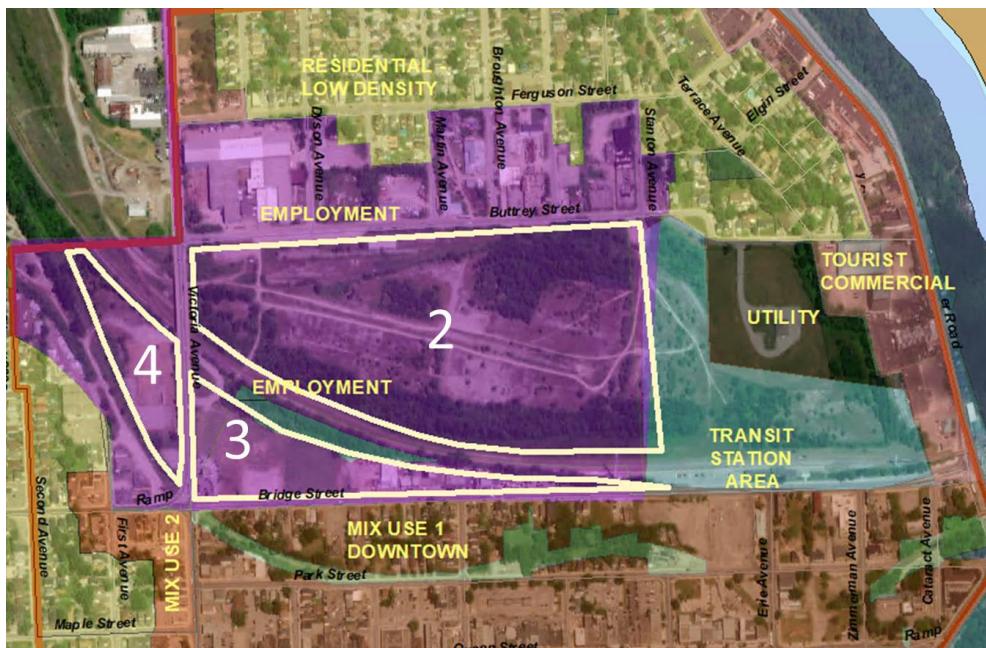
Site 4: Lands to the Northwest Corner of Victoria Avenue and Bridge Street

Site 4 (4431 Victoria Avenue) is an irregularly shaped parcel located along Victoria Avenue, measuring 1.9 ha. The site is presently underutilized consisting of an abandoned warehouse building. Similar to sites 2 and 3, this site is located within the GO Transit Station Secondary Plan. As seen in Figure 7-4 below, the site abuts lands



designated as Employment and Mixed Use 2, in accordance with the Transit Station Secondary Plan. In alignment with Site 3, this site is recommended for conversion to a Mixed Use 2 designation. Transitioning these sites to a Mixed Use 2 designation will work towards the vision of the Secondary Plan to create a transit-supportive urban structure which supports a wide range of residential and commercial uses along the City's arterial roads. Converting this site to Mixed Use 2 would also function as a land use buffer from the Employment/Industrial lands located directly to the west as well as the North Niagara Falls Secure Storage Area to the northwest.

Figure 7-4
City of Niagara Falls
Sites 2, 3 and 4 with Transit Station Secondary Plan Area – Proposed Land Use



7.2.2 **Sites not Recommended for Conversion to a Non-Employment Land Use**

Site 5: 7983-8003 Montrose Road

Site 5 is currently designated as both 'Open Space' and 'Industrial' according to the City of Niagara Falls O.P. and represents a gross land area of 20 ha. Of this total land area, nine gross ha is designated as industrial and the remaining is environmental protection area or open space. The industrial lands within this site are a part of the Warren Woods



Secondary Plan. Developers have built a residential neighborhood directly to the West of this plot of land and have requested that Site 5 be re-zoned to residential.

Figure 7-5
City of Niagara Falls
Site 5 – 7983-8003 Montrose Road



Under the conversion criteria evaluation outlined above in Figure 7-2, this site does not meet the requirements to convert to a residential use. Furthermore, considering the site's visibility and proximity to the Q.E.W., it is recommended that the segment of industrial lands within Site 5 remain designated as 'Industrial.'

Site 6: 5259 Dorchester Road

The subject site is eight gross ha (20 acres) in land area and is currently designated 'Major Commercial' as per the City of Niagara Falls O.P. A Zoning By-law Amendment application has been made to the City which requests that the site be re-zoned to Residential.



Figure 7-6
City of Niagara Falls
Site 6 – 5259 Dorchester Road



It is recommended that the City maintain this site designated as 'Major Commercial.' A conversion to a residential designation on this site could cause a potential land use compatibility issue with the existing industrial use above at Arterra Wines.¹ Due to this site's physical characteristics and location, it has the potential over the long term to support significant employment growth within the City.

Site 7: Stanley Avenue and Thorold Stone Road

Site 7 is currently designated as 'Industrial' according to the City of Niagara Falls O.P. and has three parcels totaling a gross land area of 31 gross ha. The parcels within this site are classified as vacant and are located within the North Niagara Falls Secure

¹ According to the Niagara Region Employment Survey (2019), Arterra Wines currently supports approximately 220 employees.



Storage Employment Area. This site is brownfield land that is currently being remediated and is for sale as light industrial land.

Figure 7-7
City of Niagara Falls
Site 7 - Stanley Avenue and Thorold Stone Road



The parcels within Site 7 are recommended to remain designated as 'Industrial.' Under the conversion criteria evaluation matrix, there is no justification to convert this site from its current designation. Considering that the subject sites are located within the North Niagara Falls Secure Storage Employment Area and are located adjacent to industrial uses, they do not make suitable candidates for residential development.



7.3 Additional Vacant Employment Lands for Review and Potential Conversion

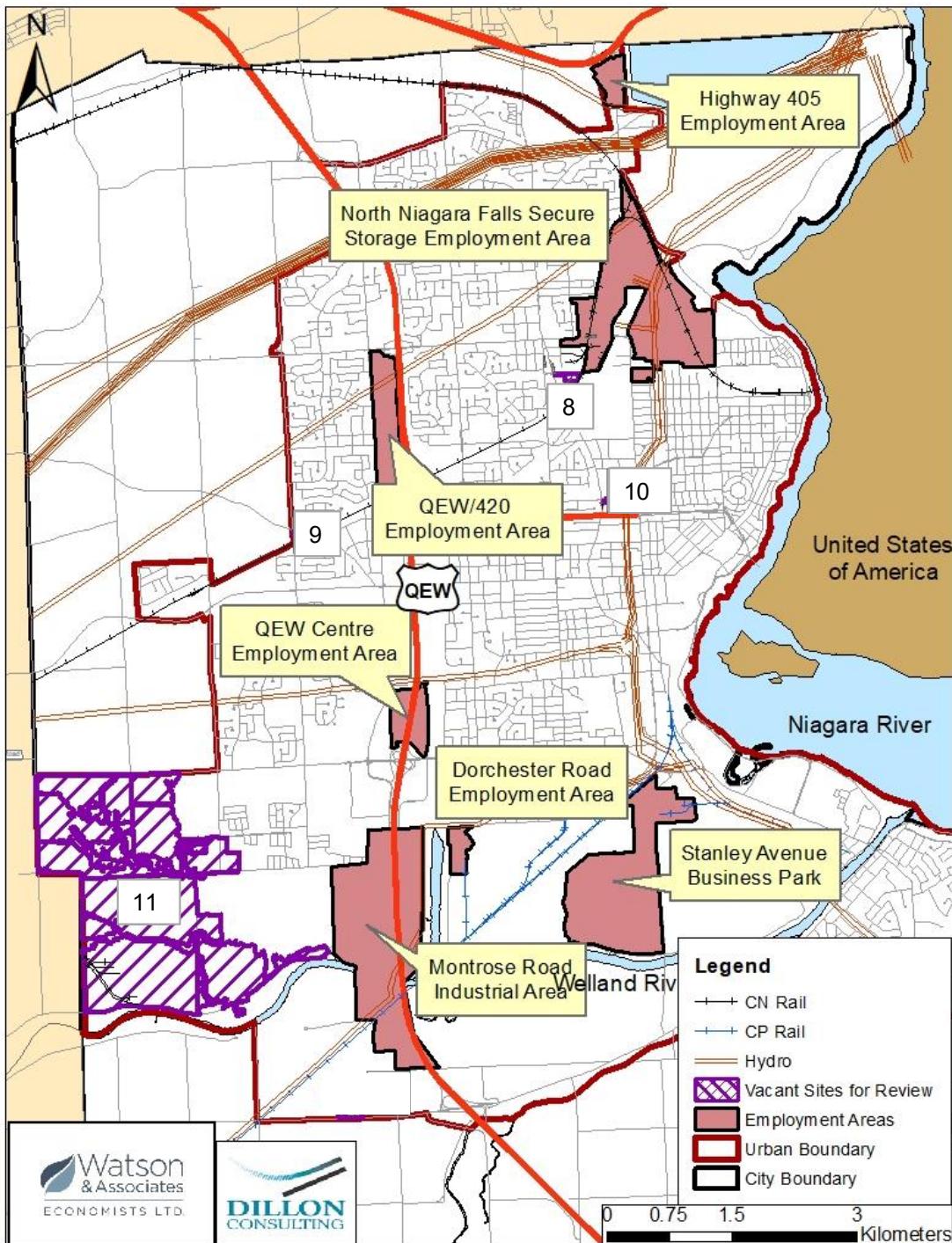
In addition to the above conversion analysis, the Consultant Team has identified four additional vacant industrial sites which should be reviewed for conversion – see Figure 7-8 for a summary of these sites. Figure 7-9 identifies the geographic location of these industrial sites recommended for conversion to a different non-residential land use. It is important to consider, on a site-by-site basis, the potential impact of conversion, ensuring the protection of the City of Niagara Falls industrial land supply.

Figure 7-8
City of Niagara Falls
Summary of Additional Vacant Employment Lands for Review and Potential Conversion

Site #	Site Location	Current O.P. Designation	Recommended O.P. Designation	Site Area (ha)
8	Portage Road	Industrial	Remain Industrial. The North Secure Storage Employment Area boundary to be extended to capture this site.	2
9	Kalar Road and Beaverdams Road	Industrial	Neighbourhood Commercial	0.2
10	Portage Road and Valley Way	Industrial	Commercial or Institutional	0.2
11	Industrial Lands in Proximity to Solvay	Industrial	Industrial lands south of Brown Road to remain industrial. Industrial lands north of Brown Road within the 2km Solvay arc be removed from the urban boundary. Industrial lands to the north of 2km Solvay arc remain in the urban area but be converted away from an industrial designation.	442



Figure 7-9
City of Niagara Falls
Additional Sites Reviewed for Conversion



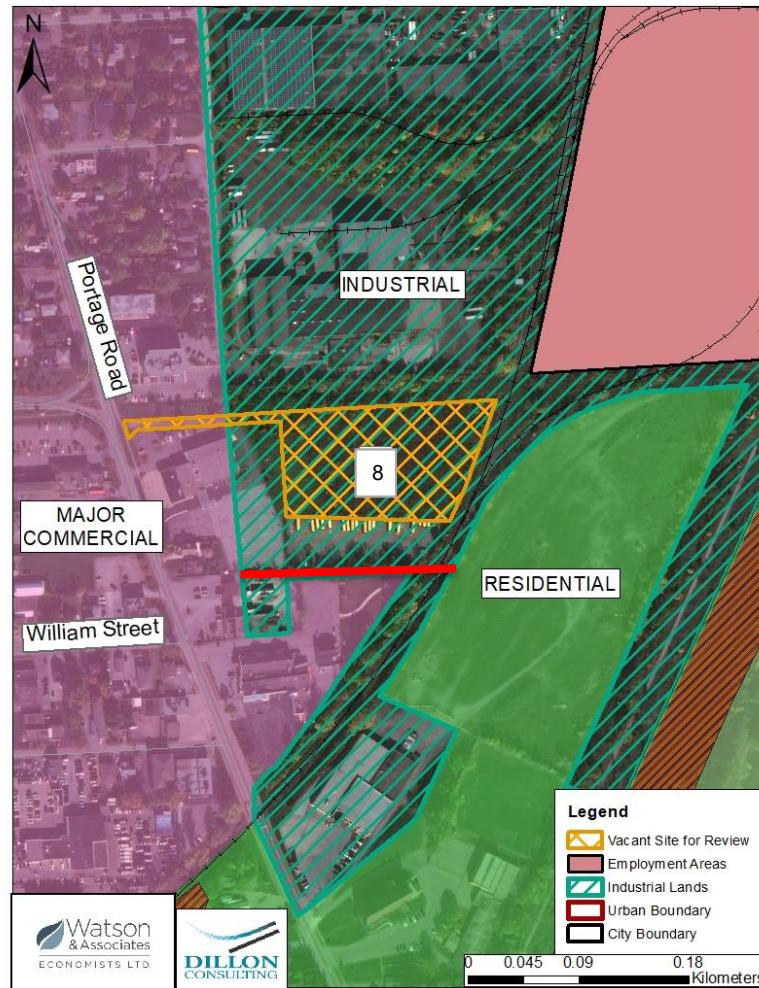


7.3.1 Sites Recommended for Conversion:

Site 8: Vacant Industrial Parcel to the Southwest of the North Niagara Falls Secure Storage Employment Area

As identified in Figure 7-10, the vacant industrial parcel is located to the southwest of the North Niagara Falls Secure Storage Employment Area. A Jeep dealership has purchased this property and is developing it as a parking lot to store its car inventory, with the northwest strip of the parcel functioning as a small driveway. Site 8 currently represents two gross hectares (four acres) of the City's vacant industrial land supply.

Figure 7-10
City of Niagara Falls
Portage Road Vacant Industrial Parcel





It is recommended that the North Niagara Falls Secure Storage Employment Area boundary be extended south to capture Site 8 and the remaining occupied industrial lands above the red line identified in Figure 7-10. This recommendation would lead to the vacant land supply of the North Niagara Falls Secure Storage Employment Area increasing by two gross hectares.

It is also recommended that the occupied industrial parcel south of the red line is given a commercial designation. Considering the proximity of residential lands to the east and commercial lands to the west, a commercial designation is the most consistent use for this site.

Site 9: Vacant Industrial Parcel at the Intersection of Kalar Road and Beaverdams Road

As displayed in Figure 7-11, Site 9 has been flagged for potential conversion. The site is surrounding by agricultural, residential and industrial land uses. This site represents 0.2 hectares of the gross vacant industrial land supply (0.5 gross acres).



Figure 7-11
Vacant Industrial Parcel at the Intersection of Kalar Road and Beaverdams Road



The close location of this site to residential land uses and the relatively small size of this parcel, makes Site 9 unlikely to support a future industrial use. Considering the active industrial use to the south, a conversion to a residential use is not recommended. As such, it is recommended to convert this vacant site to neighbourhood commercial, reducing the City-wide industrial land supply by 0.2 gross hectares.



Site 10: Vacant Industrial Parcel at the Intersection of Portage Road and Valley Way

Site 10 has been flagged for potential conversion. As shown in Figure 7-12, the vacant site currently falls within an industrial land use designation and is surrounded by residential uses to the north and west. Site 10 represents 0.2 gross hectares (0.5 gross acres) of the City-wide vacant industrial land supply.

Figure 7-12
City of Niagara Falls
Vacant Industrial Parcel at the Intersection of Portage Road and Valley Way





Site 10 is recommended to be converted from industrial to either commercial or institutional. The adjacent parcels do not function as industrial uses and a future industrial land use on Site 9 would cause a potential land use conflict. The conversion of this site results in a reduction of the City-wide vacant land supply by 0.2 gross hectares.

While beyond the scope of this report, future conversion consideration should be given to the entirety of the occupied industrial lands identified in Figure 7-12. The industrial designation does not conform with the existing land use associated with the Niagara Regional Police Service Headquarters.

Site 11: Industrial Lands in Proximity to Solvay

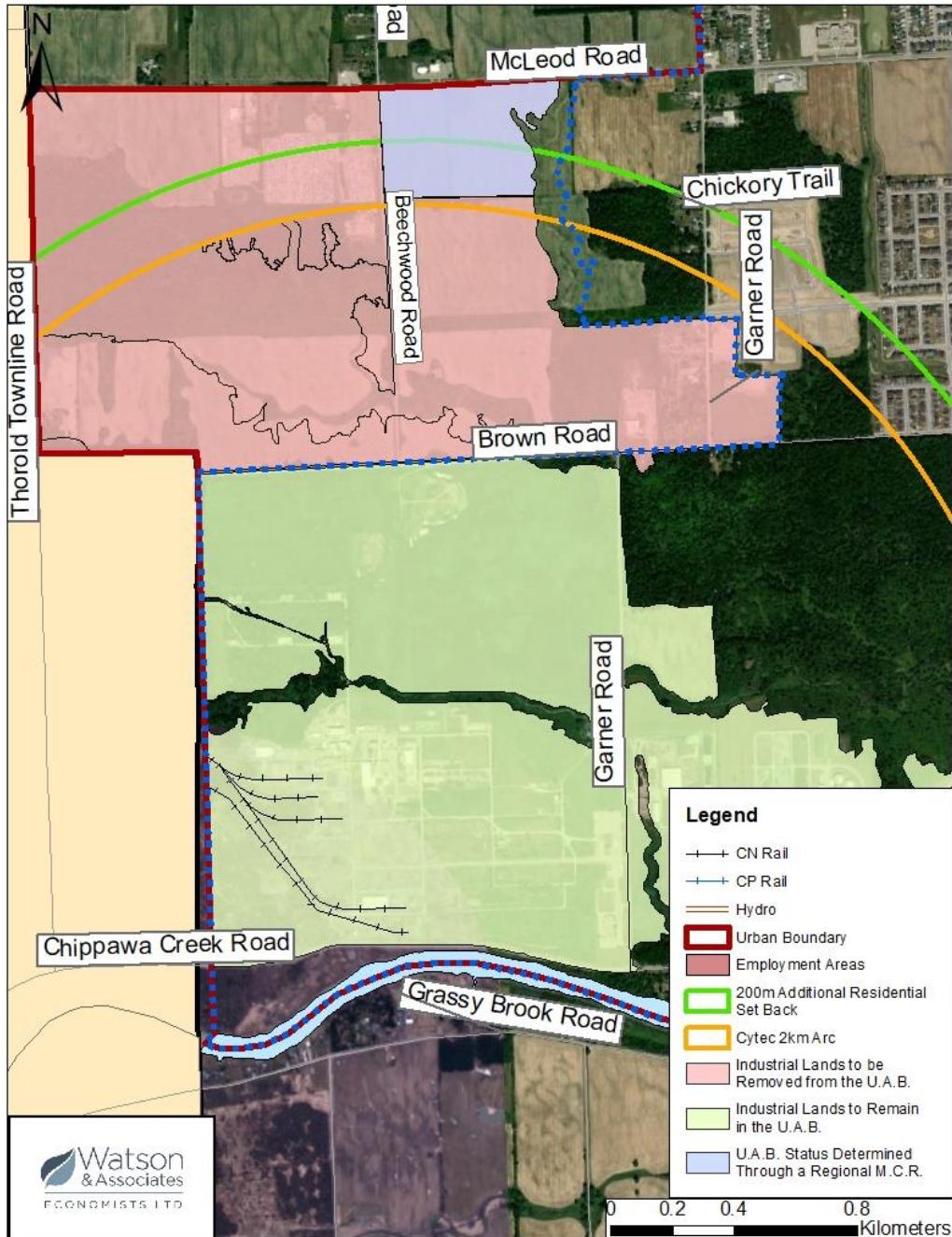
As displayed in Figure 7-13, the lands occupied by Solvay and the surrounding industrial lands account for 442 gross hectares (1,092 gross acres). For the purposes of this Employment Lands Strategy, these lands have been removed from the City-wide vacant industrial land supply outlined in Chapter 4 because of the lack of opportunity for development. Further to removing these lands from the City-wide industrial land supply, it could be recommended that the lands within the 2km Solvay arc above Brown Road be removed from the urban boundary - Figure 7-13 highlights the lands recommended for removal. The lands within the 2km Solvay arc cannot be developed for residential purposes are not attractive for industrial development – removing them from the urban boundary could present an opportunity to expand the urban boundary elsewhere, creating more opportunity for industrial development in more marketable and suitable locations. Further consultation with property owners in this area would be needed.

It is also recommended that the industrial lands north of the Solvay arc and south of McLeod Road be removed from the urban boundary, excluding the 9304 McLeod Road lands. The land use of these industrial lands should be considered within the broader context of the City's urban structure and long-term land needs. The land use of 9304 McLeod Road lands (highlighted in red hatching in Figure 7-13) will be subject to the City of Niagara Falls long-term residential land needs. The Solvay property south of Brown Road is recommended to remain in the urban boundary and be classified as developed industrial land. Solvay has no intention of selling, leasing, or developing the lands south of Brown Road.



The Solvay lands recommended for removal from the urban boundary account for 166 gross hectares (410 gross acres). The remaining developed industrial land area south of Brown Road would account for 276 gross hectares (682 gross acres).

Figure 7-13
City of Niagara Falls
Industrial Lands in Proximity to Solvay





Chapter 8

Policy Recommendations



8. Policy Recommendations

This section provides recommendations pertaining to the City's employment lands. These recommendations consider the respective supply and demand analyses to 2051 as well as the broader policy context, including Provincial and Regional policies. The recommendations are grouped based on five themes, which include:

- Future vision for the City's Employment Lands;
- Provincial and Regional Policy Conformity and Alignment;
- Employment Land Conversion;
- Future Land Needs; and
- Competitiveness of Supply.

8.1 Future Vision for the City's Employment Lands

The future vision with respect to employment lands is set out below:

"Employment Lands within the City of Niagara Falls will provide the City with a diverse collection of parcels; opportunities for Greenfield Development and intensification of existing sites; and, allow the City to competitively respond to market demands and meet the City's employment needs to 2051."

8.2 Clarifying Employment Lands with Employment Areas

There are a number of technical revisions which should be considered to provide for enhanced clarity and readability of the City's employment policies. This section provides recommendations in this regard.

- **Consistent language and terminology** – Presently, Section 8 of Part 2 of the City's O.P. speaks to the "Industrial" Land use designation with these areas identified on Schedule A of the O.P.; however, within Secondary Plans and other parts of the O.P., the terms "Employment Areas" and "Employment Lands" are used both in policy and on Secondary Plan Land Use Schedules to refer to Industrial lands. Ultimately, it appears that the terms "Industrial" and "Employment" are used interchangeably to refer to the same thing, which can cause confusion. Accordingly, it is recommended that the policy sections of the O.P. be revised in this regard, in order to provide clarity in understanding the land



use typology as well as for alignment with provincial and regional nomenclature respecting employment lands. It is recommended that the terminology used in the O.P. be consistent with the Provincial language, adopting “employment lands” and “Employment Areas”, as the case may be.

- **Visual Representation** – The O.P. should include a schedule showing the difference between Employment Areas and employment lands.
- **Definitions** – Appendix I of the O.P. contains definitions used throughout the Plan. Currently, “Employment Lands” is identified as a defined term; however, there may be a need to revise this definition as well as introduce new definitions to reflect the Provincial planning framework and defined terms set out in the 2019 Growth Plan which differentiates between Employment Areas and Employment Lands. There may also be a need to add “Gateway Economic Zone” as a defined term, in addition to identifying it on the land use schedule.
- **Organization of Conversion Policies** – Employment Land Conversion policies are contained both within Section 2 of Part 4 (Policies 2.9 and 2.10) and Section 8 of Part 2 of the Plan. It is recommended that the conversion policies be centralized in one location in the Plan, for readability and clarity.

8.3 Provincial and Regional Policy Conformity and Alignment

There are a number of changes to the City’s current O.P. framework required to address matters of consistency and conformity with the P.P.S., 2020; Growth Plan, 2019 (including Amendment 1); and the Niagara Region O.P. The following section includes the recommended policy directions in this regard.

- **Strengthen policies to protect the long-term viability for existing and planned industries** – Policy 8.3.1 of Part 2 of the O.P. addresses the grouping of industries with similar characteristics and performance standards to protect against the effects of incompatible land uses. The P.P.S., 2020 introduces a set of conditions that must be met in order to permit the introduction of sensitive uses adjacent to existing industrial and manufacturing uses, including what to do if avoidance is not possible. The Growth Plan, 2019 (including Amendment 1) also provides direction on what to do if the encroachment of sensitive land uses and existing industrial and manufacturing uses is not avoidable. While Niagara Falls O.P. policies 7.3 and 8.6 address land use compatibility, it is recommended that



the policy language be strengthened regarding instances where avoidance of incompatible uses is not possible. The City should reaffirm its commitment to maintain existing employment uses through this change.

- **Add a policy recognizing that Employment Areas adjacent to or near major goods movement facilities and corridors should be protected** – Section 8 of Part 2 of the O.P. includes policies that address the provision of adequate highway access for industrial zones, including lands within the Q.E.W. Employment Corridor. Where an Employment Area is adjacent to or near an identified goods movement facility or corridor, the wording of these policies should be updated to demonstrate alignment with the policies of the Growth Plan.
- **Strengthen policies to facilitate developing active transportation networks and a transit-supportive built form in Employment Areas** – Policy 8.16 of Part 2 of the O.P. supports establishing, maintaining and improving the accessibility of industrial areas by providing public transit services. In addition, the O.P. supports retail and office uses ancillary to the industrial use, thereby promoting active transportation. The Growth Plan, 2019 directs municipalities to develop active transportation networks and facilitate a transit-supportive built form. This reflects an opportunity for the City to strengthen policies to prioritize transit, pedestrians, cycling, and accessibility within the City's Employment Areas to ensure they are accessible to employees and are connected with the surrounding land uses. The application and implementation of the Growth Plan policy directives will require a context sensitive approach given the range of Employment Areas in the City.
- **Strengthen existing policies regarding the design of surface parking to minimize surface parking in Employment Areas** – Part 2 of the Niagara Falls O.P., policies 8.12 and 8.13, address the need to provide adequate parking for industrial sites. The City's surface parking related policies within Part 1 of the Niagara Falls O.P., policy 3.14.1 Urban Design, encourages parking on-site and within a parking structure. As previously referenced, the Growth Plan, 2019 establishes that municipalities will develop active transportation networks and facilitate transit-supportive built form. This is complementary to the need to minimize surface parking. The City should consider strengthening existing policies such that transportation demand management measures (e.g., bicycle parking, showers, etc.) are prioritized and clear direction is provided to allow for opportunities to minimize surface parking in Employment Areas.



- **Add a policy regarding the City's role in working with the Region, and appropriate stakeholders such as Niagara Region Transit, to coordinate planning for economic development and transportation demand management** – Within Part 5 of the Niagara Falls O.P., Policy 4.8 discusses coordination between the City and the Region of Niagara regarding transit related coordination to support the mixed-use vision of Downtown Niagara Falls. Growth Plan, 2019 policy 2.2.5.17 encourage a coordinated approach to planning for economic development and transportation demand management in areas with a high concentration of employment that cross municipal boundaries. While the Niagara Falls O.P. includes policies on transit related coordination to support the mixed-use vision of the City's downtown, an opportunity exists to add a policy regarding the potential to coordinate transportation initiatives in the context of industrial areas.
- **Designate the Niagara Economic Gateway on O.P. mapping** – As per the Regional O.P., it is recommended that the City delineate the Niagara Economic Gateway as part the O.P.A to implement the policy directions discussed in this Chapter. This will support alignment with the Regional O.P. and strengthen regional and municipal policy objectives on economic growth within the area.

8.4 Employment Land Conversions

As noted in Chapter 7 of this report, a number of sites are recommended for conversion from employment to a non-employment use, as well as removal from the urban area in some instances. It is recommended that the O.P. Schedules and any associated policies be updated, as required, to reflect the recommended conversion areas with the appropriate land use designations applied. Additionally, a Zoning By-law Amendment will be required to ensure the appropriate zone is applied to implement the recommended new land use.

8.5 Future Land Needs

Based on the analysis completed above, the supply of vacant developable land within the City's Employment Areas is diminishing, with 60 gross hectares remaining. Ultimately, the results of the analysis indicate a deficit of 48 gross hectares of employment land by 2051 (60 gross hectares when adjusted for land vacancy, and other constraints such as parcel size, configuration and access issues). Ultimately, the



study findings suggest that there is not sufficient land available to meet the project employment demand and, accordingly, additional land will need to be added to meet the demand. Notwithstanding the conversion analysis recommended removing certain lands from the employment designation, this was done to reflect a more reasonable supply of land given constraints and, ultimately, there is still a need for the City to provide additional land to meet the demand to the 2051 planning horizon. This section provides recommendations in this regard.

- **Introduce a new Employment Area to address the identified shortfall and provide an opportunity to increase competitiveness and accommodate target industries** – Identification of a new Employment Area is required in order to accommodate the anticipated demand to 2051 and position the City to be more competitive in the market through ensuring the availability of land to accommodate a broader range of parcel sizes to meet the needs of industrial users, who have indicated a gap in availability of medium to larger sized sites in the City. This new Employment Area should be identified and confirmed through the Region's M.C.R. process.
- **Strengthen policies to protect and retain the existing vacant employment land supply** – To remain competitive over the long-term, the City should also protect its existing vacant supply to ensure that future demand on employment lands is not unduly constrained by a lack of market choice throughout its remaining vacant parcels and constrained by conflicting land uses. This can be achieved through the introduction of stronger policies in the O.P. respecting adjacency and land use compatibility as recommended in Section 8.2 above.

8.6 Competitiveness of Supply

The Regional O.P. identifies a set of policies for the Niagara Economic Gateway, which includes the Niagara Falls Priority Investment Area, to promote economic development. While the Niagara Falls O.P. focuses on promoting industrial development, an opportunity exists to broaden the discussion by considering potential investment-incentives for these areas, which are currently not delineated within the City's O.P.

- **Add policy language on Niagara Falls Q.E.W. Business Park** – Regional O.P. policy 3.A.3.9 introduces the concept for the Niagara Falls Q.E.W. Business Park. A similar policy should be introduced to the City of Niagara Falls O.P. in



order to capitalize on long-term opportunities for business and services in close proximity to 400 series highways focusing on manufacturing, warehousing and other employment land uses.

- **Add policies to encourage a range of parcel sizes and develop priorities to ensure a supply of shovel-ready lands for medium to larger sites** – The supply analysis identified that there is 60 gross ha of vacant Employment Area land remaining, reflecting a supply of approximately 20 years. Working with Niagara Region, the City should identify priority Employment Areas for future development, particularly medium and larger sized sites which offer opportunities to accommodate large-scale operations on full municipal services.
- **Refine policies and develop priorities that strengthen the competitiveness and attractiveness of Employment Areas by permitting a range of employment supportive uses and worker amenities** – Overall, the permitted uses within the City's O.P. industrial designations are well aligned to respond to the forecast employment sectors. However, there may be an opportunity to further enhance competitiveness by providing additional clarity for employment-supportive uses. The market analysis identified the need for Employment Areas to provide a wider range of services and amenities which complement and help to support both knowledge-based and traditional industrial sectors. Recognizing the importance of amenities and services oriented to employees, policies could be refined to permit/clarify the circumstances where the City would permit employment supportive uses as stand-alone (primary) uses in areas that are not identified for a heavy industrial land use.
- **Identify and prioritize opportunities for quality of life enhancements to strengthen the competitiveness and attractiveness of Employment Areas** – The employment land demand analysis identified that “quality of life” enhancements will be a key factor in the City’s economic growth. In addition to supporting a range of employee amenities, through the O.P. review process the City should develop priorities for making physical improvements to its existing Employment Areas. This could include opportunities to add or enhance existing elements such as open space/park land, lighting, wayfinding/branding, trails, active transportation connections, transit access and other types of hard infrastructure which help to make Employment Areas attractive places to work.



8.7 Next Steps

Once Phase 3 of the Employment Lands Strategy has been completed, a revised draft Official Plan Amendment (O.P.A.) and a corresponding Zoning By-law Amendment (Z.B.A) will be prepared and Planning Act process initiated to address the recommended changes noted in this section respecting conformity, land needs outcomes (i.e. conversion sites), and technical revisions. Following conclusion of Phase 3 of this Study, the City may also wish to consider initiating a process to implement those recommendations contained in this report that would need to be addressed outside of a policy and zoning framework (e.g. a CIP, Design Guidelines, Marketing Plan, and Identification of a new Employment Area).



Chapter 9

Public vs. Private Sectors

Development Options Review



9. Public vs. Private Sectors Development Options Review

The purpose of this section is to evaluate the future role and approach for the City regarding future industrial land assembly and development.

9.1.1 Municipal Trends in Industrial Land Development

In recent decades, most industrial/business parks in Ontario within municipalities outside of the Greater Toronto Area (G.T.A.) and the Ottawa area have been municipally developed, whereas in the G.T.A. and Ottawa they have been primarily privately developed. Examples of communities which have had active municipal land development include Barrie, Belleville, Brantford, Cornwall, London and Peterborough. Similarly, the City of Niagara Falls has a strong and successful history of municipal industrial land development.

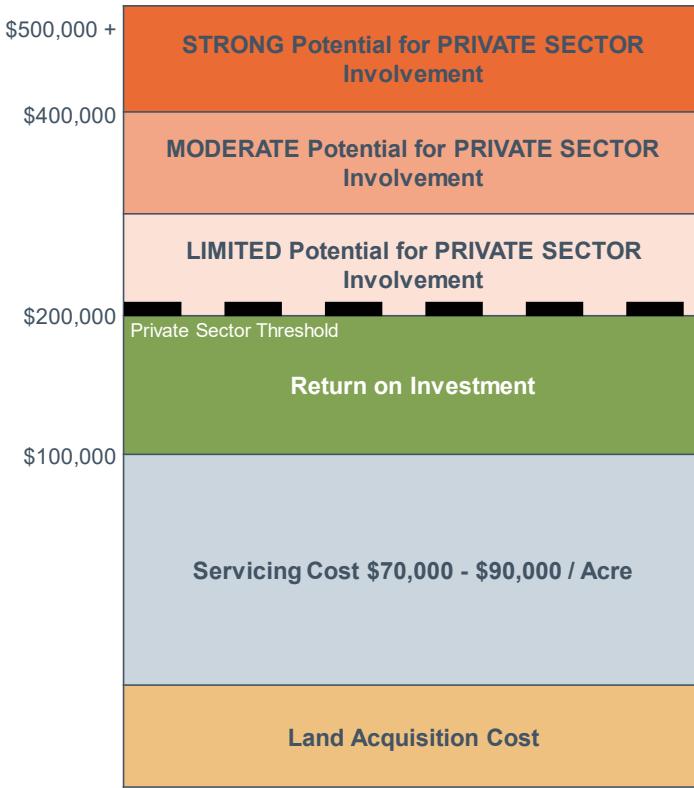
Relatively low land prices and slower rates of development activity in these communities compared to the G.T.A., create difficulties in attracting and sustaining private sector development of industrial lands. The relatively low market price of serviced land creates conditions that limit private sector interest and involvement in land development (i.e. the costs of servicing lands are too high relative to market prices of serviced land). The absence of the private sector necessitates municipal development of industrial/business parks. Under these circumstances, many municipalities take a pro-active approach and develop municipal industrial/business parks, investing municipal dollars to buy, subdivide and fully service the land. Recouping municipally funded servicing costs (in full or in part) occurs through land sales to end users who then develop the parcels.

Figure 9-1 illustrates the cost components to servicing land, the potential return on investment and the corresponding market price of land required to sustain the private-sector development market. Servicing land is a costly undertaking, typically averaging between \$70,000 and \$90,000 per acre. Factoring in the cost of land acquisition (typically between \$20,000 and \$40,000 per acre), the total cost of serviced land can easily exceed \$100,000 per acre. To allow for a minimum return on investment, the market value of serviced land typically has to be in excess of \$200,000. The potential for private-sector development above this point increases with the market value of serviced land.



Figure 9-1
Private Sector Industrial Land Development Profitability Threshold

Market Price of Serviced Land (Per Acre)



Most communities in eastern and southwestern Ontario have serviced land market values well below \$200,000. Industrial land prices in Niagara Falls are slightly above the \$200,000 per acre threshold, at \$205,000. In comparison, north/west G.T.A. communities, including Mississauga, Brampton and Vaughan, have industrial land prices sufficiently high to support strong and dynamic private-sector development of industrial lands.

The relatively high threshold point for the private sector is driven by the differing cost/benefit methods and expectations regarding return on investment. The private sector typically only includes the revenue of the sale of the serviced land in its return on investment analysis. This is unlike the City which factors in not only the revenue generated from the sale of the serviced land, but also the potential employment, tax assessment and development charge revenue generated from the proposed



development. This fundamental difference in approach can have a significant impact in terms of expected return on investment (revenue from sale of serviced land less costs).

9.1.2 Evaluation of Industrial Land Development Approaches in Niagara Falls

The private sector is not considered sufficiently strong and economically viable to support large-scale employment land development in Niagara Falls. As such, it is expected that the City will need to remain as the primary developer of industrial areas in Niagara Falls. However, industrial land prices have increased to the point where potential public-private partnerships under certain conditions may be possible.

Municipal development offers many advantages for the City. Municipal development of industrial lands tends to provide stronger control over the type and appearance of development that can be more consistent and supportive of a municipal strategy and other planning and urban design policy directions. This includes the ability to be more selective in the sale of land to end users, promoting development of sectors or uses that are considered “desirable.” In Niagara Falls, this may include the development of target sectors and “incubator” industries.

Under municipal development, the control of project phasing/timing can be based on municipal-wide needs as opposed to being market driven and dependent on private sector interests. In addition, City-sold lands require that the purchaser build within a defined time period, whereas in the private-sector market, no such requirements are in place.

Municipal land development, however, requires extensive financial resources and exposes a municipality to financial and market risk. High up-front land acquisition and development costs are demanding for medium-sized communities such as Niagara Falls.

9.1.3 Conclusions

- The City of Niagara Falls has a strong tradition of successful municipal industrial/business park development;
- Historically, industrial land prices in Niagara Falls, as in other eastern Ontario municipalities, have been too low to facilitate broad private sector development of industrial lands requiring the City to act as a land developer; and



- From a market demand perspective, the City will likely need to be involved in industrial land development for the foreseeable future, though there may be opportunities to partner with external parties on select projects.



Chapter 10

Employment Area Location Options Analysis



10. Employment Area Location Options Analysis

10.1 Introduction

As discussed in Chapter 6, based on the results of the land needs analysis, the City needs approximately 76 ha of Urban Employment Area lands (exclusive of environmental features) by 2051. Identification of a new Employment Area is required in order to ensure the City can accommodate the anticipated employment demand to 2051. A review was undertaken between City staff and the Consultant Team to assess potential location options for a new Employment Area. This chapter defines the criteria to identify the new proposed Employment Area and provides an evaluation of each site to arrive at the recommended site.

10.1.1 Policy Context

The P.P.S., 2020 directs that a settlement area expansion is to be undertaken only at the time of a comprehensive review when it has been demonstrated that sufficient opportunities to accommodate growth and to satisfy market demand are not available through intensification, redevelopment and designated growth areas to accommodate the projected needs over the identified planning horizon.¹

In addition to this, the Growth Plan, 2019 provides direction for municipalities to designate and preserve lands within *settlement areas* located adjacent to or near *major goods movement facilities and corridors*, including major highway interchanges, as areas for manufacturing, warehousing and logistics, and appropriate associated uses and ancillary facilities. It further mentions that upper- and single-tier municipalities, in consultation with lower-tier municipalities, will designate all *employment areas* in official plans and protect them for appropriate employment uses over the long-term.²

Accordingly, it should be a policy objective of the City of Niagara Falls to examine opportunities for the development of a new Employment Area within the City's existing urban boundary. If no opportunities to develop an Employment Area within the urban boundary exist, then it would be permissible to explore location options for an

¹ Provincial Policy Statement, 2020, Policy 1.1.3.8 pp.8 to 10.

² A Place to Grow: Growth plan for the Greater Golden Horseshoe, 2019, Policy 2.2.5 pp. 19 to 21.



Employment Area outside of the urban boundary. As it will be demonstrated through this analysis, there are suitable lands within the City's urban boundary to accommodate the development of a new Employment Area.

10.2 Employment Area Potential Sites Review Approach

Five prospective sites for a new Employment Area were identified within the City and were reviewed utilizing an evaluation matrix. This evaluation matrix is comprised of three primary principles and a set of seven localized criteria. Primary principles include key growth management themes that are essential requirements for the sites to fulfil. Thereafter, the localized criteria further evaluate the prospective Employment Areas, looking at site-specific attributes and development viability. Figure 10-1 provides the Employment Area site evaluation criteria summary, which have been organized to address the policy requirements of the Growth Plan, 2019 the P.P.S., 2020 and local criteria.

Figure 10-1
City of Niagara Falls
Employment Area Expansion Criteria

Topic Area	Criteria
Primary Principles	
Growth Management/ Land-Use Planning	Is the proposed site capable of meeting the employment land shortfall of 76 ha ?
	Is the proposed Employment Area within the existing Urban Boundary? ¹
	Are there any adverse impacts of developing site area as Employment Area on nearby or adjacent land uses?
Localized Criteria	
Municipal Servicing and Impacts	Is the area subject to 1,000m zone of influence to a wastewater treatment facility, in accordance with the Ministry of Environment, Conservation and Parks Land Use Compatibility guidelines? Employment Areas are a suitable use within this zone of influence, as more sensitive land uses such as residential development can lead to land use compatibility conflicts.

¹ The proposed site should fall within the urban boundary. If no suitable site within the urban boundary exists, then opportunities for a settlement area boundary expansion could be explored.



Topic Area	Criteria
Environmental Protection and Protection of Resources	How much of the site area includes proposed lands are located within the Natural Heritage System or designated Environmental Protection /Conservation Area?
Agriculture & Agri-Food Network	What is the impact on the broader Agri-Food Network if developed as urban employment? (i.e., is the site currently used for growing crops / Is the site designated Good General Agriculture)
Market Analysis	Are there constraints on the site area that would negatively impact the feasibility of the development of the site and site configuration? (e.g., topography, specific requirements for site plan approval)
	Is the expansion area in an area with the highest demand for Employment Area growth?
	Does the site area offer the opportunity to expand an Existing Employment Area (critical mass)?
	How well can the site area (or parcel) access major transportation corridor such as a Provincial Highway (Q.E.W.)?

10.3 Employment Areas Sites Evaluation

Figure 10-2 provides a map of five potential locations for a future Employment Area within the City of Niagara Falls. A majority of these sites are located at the south end of the City, below the Welland River. Of the five sites, two are located within the City's urban boundary. A site-by-site analysis has been conducted below for each of these locations and Figure 10-8 at the end of this chapter provides a summary of the evaluation matrix results for each of the five prospective sites.



Figure 10-2
City of Niagara Falls
Urban Employment Area Sites Reviewed





10.4 Employment Area Site Evaluation

10.4.1 Site 1 – South End - Crawford Farm and Surrounding Area (South of Welland River)

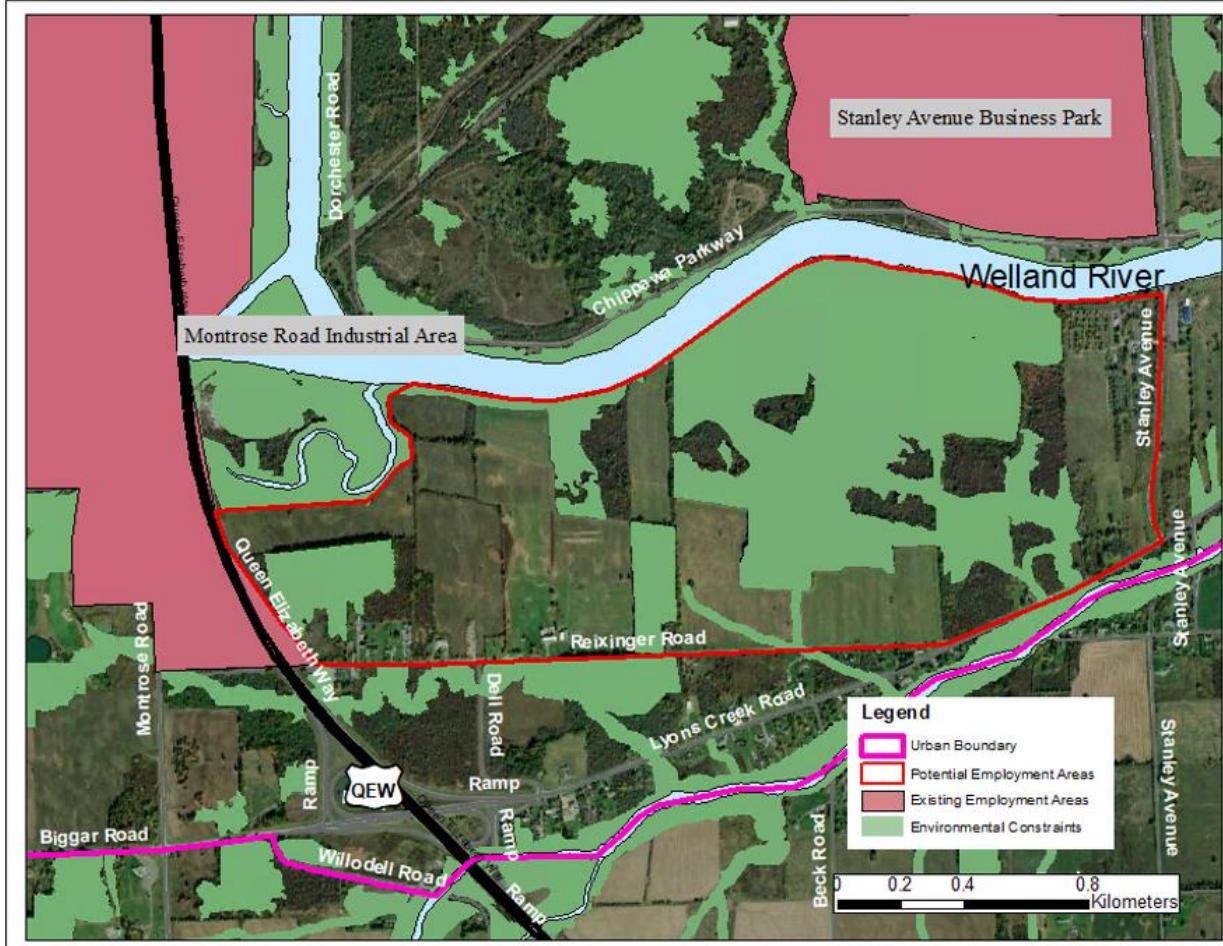
This proposed site is located within the City's urban boundary and would be a natural expansion of the Montrose Road Industrial Area. With all parcels in the Montrose Road Industrial Area being sold by the fall of 2021, the extension of this Employment Area east of the Q.E.W would provide sufficient supply opportunities to capture the existing demand for employment lands within this general location. The total size of this site is 267 hectares (660 acres), with a developable land area of approximately 140 hectares (341 acres).

The future Niagara Region wastewater treatment facility is planned within this prospective site and it is expected to have a land requirement of approximately 60 developable hectares, which reduces the total developable land area of this site to 80 hectares (198 acres). The future wastewater treatment facility will be a vital piece of infrastructure for Niagara Region and preventing the encroachment of sensitive land uses to this site will be necessary. Accordingly, developing this site as an Employment Area would sufficiently minimize potential land use compatibility concerns with the wastewater treatment facility. Furthermore, the development of this site as an Employment Area would have a minimal impact on nearby land uses, as it is surrounded by the Montrose Road Industrial Area to the west, Welland River to the north, Stanley Avenue to the east, and Reixinger Road to the south.

As a natural extension of the Montrose Road Industrial Area, this site presents an opportunity to expand the cohesive vision for employment lands in the southern portion of the City's urban boundary. With the Montrose Road Industrial Area and the Stanley Avenue Business Park largely built-out, demand for employment lands within this general area is well established. The location of this proposed site is ideal because of its direct access and exposure to the Q.E.W., largely unencumbered by residential neighbourhoods. The prospective site does contain a high degree of environmental features which will potentially affect parcel configurations.



Figure 10-3
City of Niagara Falls
Site 1 – South End - Crawford Farm and Surrounding Area (South of Welland River)



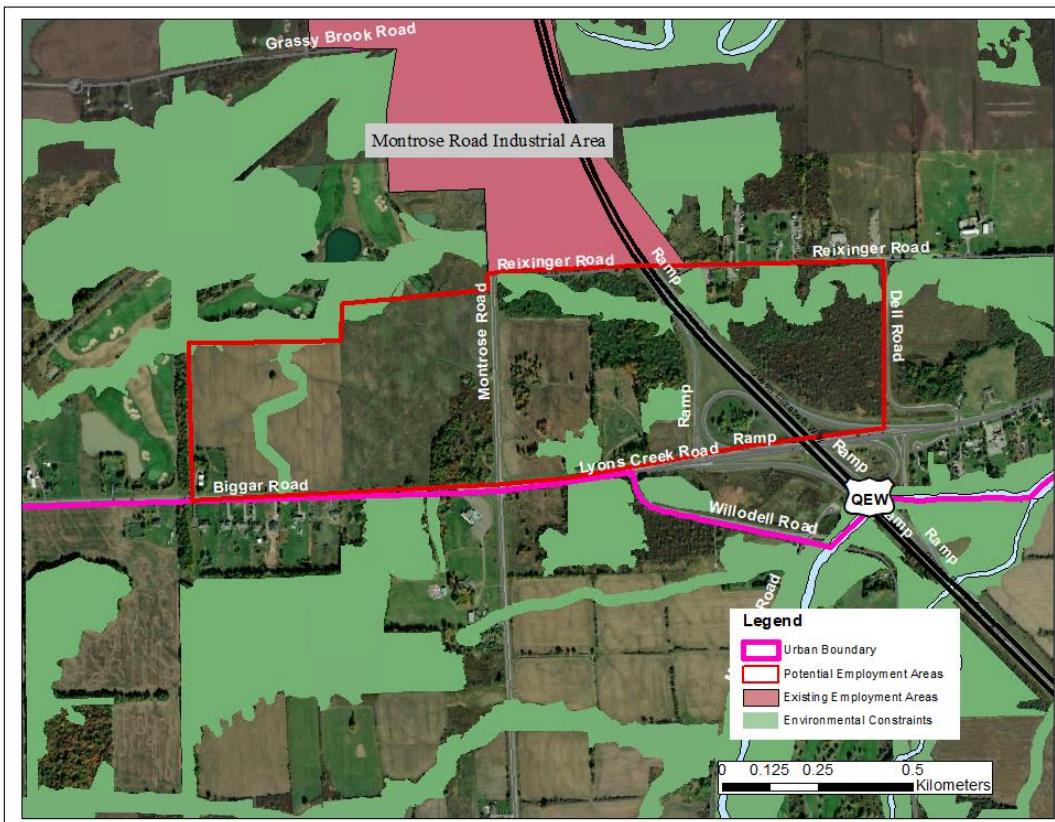
10.4.2 Site 2 – South End – Future South Niagara Hospital and surrounding lands

Site 2 is located within the Niagara Falls urban boundary and would also be a direct expansion of the Montrose Road Industrial Area. This site has a total land area of 88 hectares (217 acres) and a developable land area of 66 hectares (163 acres), which is insufficient to accommodate forecast employment land demand to 2051. Furthermore, the future South Niagara Hospital will be located within Site 2, which would further reduce the developable land supply by approximately 20 hectares and directly lead to land-use compatibility concerns.



While Site 2 is located within the City's urban boundary, it fails to meet the other two primary principles. This site does not have sufficient developable land area to accommodate forecast demand and the development of this site would cause land-use compatibility concerns with the South Niagara Hospital. The evaluation of the localized criteria for this site have been identified in Figure 10-8.

Figure 10-4
City of Niagara Falls
Site 2 – South End – Future South Niagara Hospital and surrounding lands



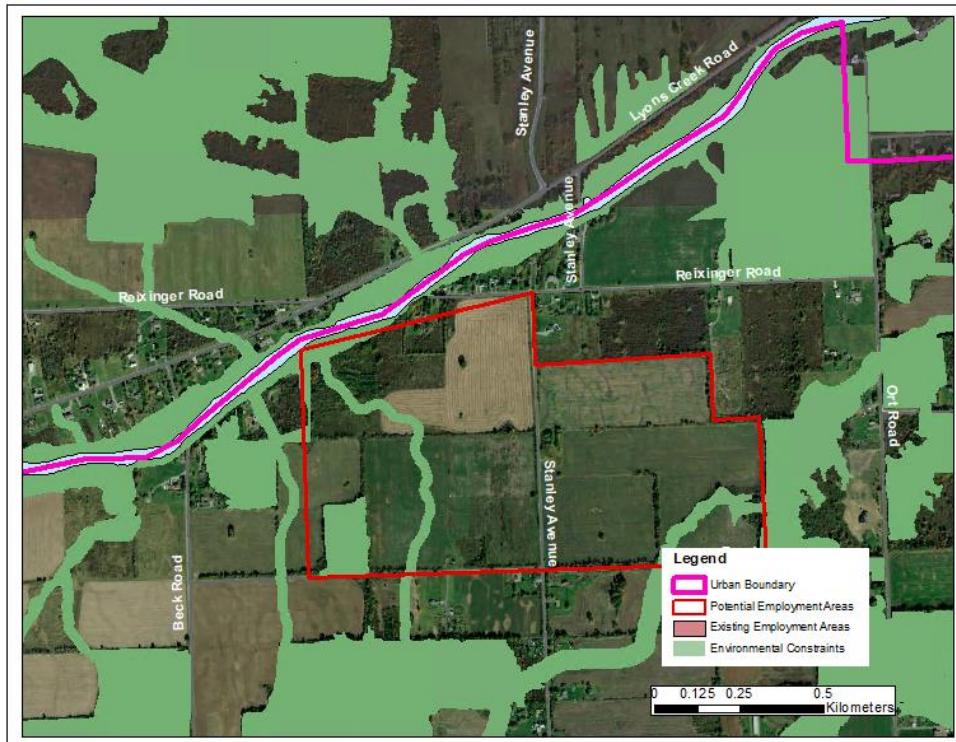
10.4.3 Site 3 – South End - Stanley at Logan

Site 3 is located outside of the City of Niagara Falls urban boundary, along Stanley Avenue and Logan Road. The site has a total land area of 89 hectares (220 acres) and a developable land area of 81 hectares (200 acres), which is sufficient to accommodate employment land demand to 2051. There would be agricultural impacts associated with developing this site but beyond these agricultural considerations, there are minimal land-use compatibility concerns with the surrounding uses.



This site meets most of the localized criteria and two of the three primary planning principles. Critically, however, this site's location outside of the urban boundary presents significant provincial policy barriers for potential development, since a settlement area expansion would have to identify no opportunities for employment land development within the existing urban boundary. Additional evaluation of the localized criteria for this site can be found in Figure 10-8.

Figure 10-5
City of Niagara Falls
Site 3 – South End - Stanley at Logan



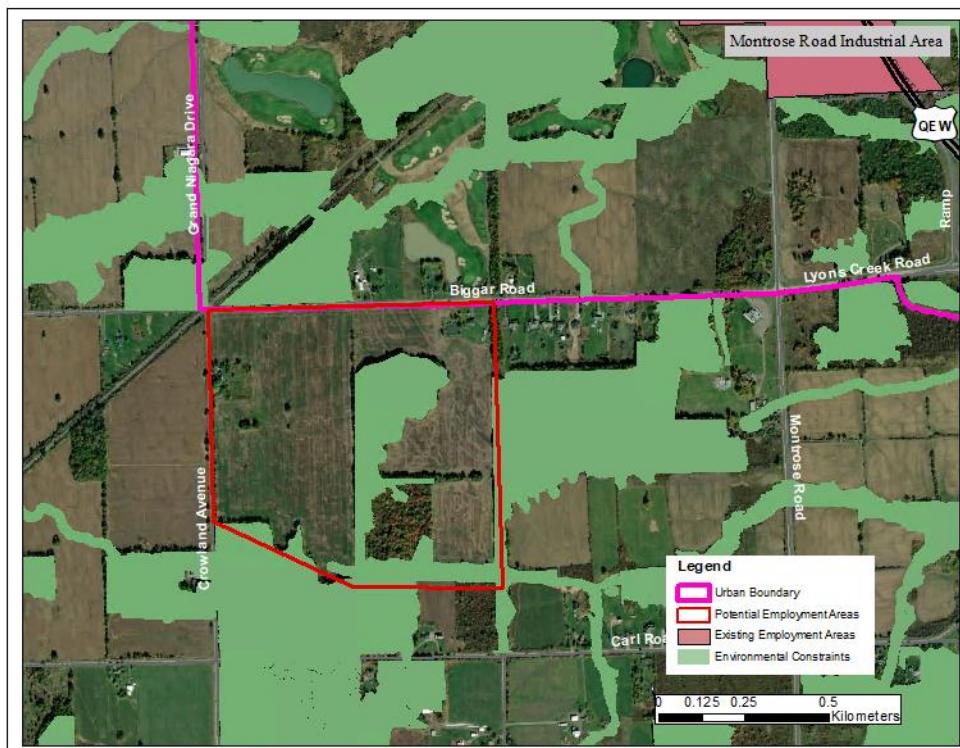
10.4.4 Site 4 - South End - Biggar at Crowland

Site 4 is located along Crowland Avenue and Biggar Road, outside of the City's urban boundary. This site has a total land area of 65 hectares (161 acres) and has a relatively large environmental feature splitting the overall site which reduces the developable land area to 52 hectares (129 acres). Similar to Site 3, there are minimal land-use compatibility concerns developing the land as an Employment Area. The potential impacts on agricultural lands, however, would have to be assessed in developing this site as an Employment Area.



Site 4 fails to meet two of the three primary evaluation principles, since it is located outside of the existing urban boundary and the developable land area is insufficient to accommodate forecast land demand to 2051. Furthermore, the site fails to meet many of the localized criteria, making it an unsuitable site for a future Employment Area. The results of the localized criteria evaluation for this site can be found in Figure 10-8.

Figure 10-6
City of Niagara Falls
Site 4 - South End - Biggar at Crowland



10.4.5 Site 5 – North End - Club Italia Lands

Unlike the previous four sites, Site 5 is located in the northwestern portion of the City. Site 5 falls outside of the urban boundary and has a total land area of 65 hectares (161 acres), with a developable land area of 57 hectares (141 acres). Accordingly, Site 5 would not have a sufficient developable land area to accommodate the employment land demand of 76 developable hectares by 2051. There are slight land use compatibility concerns with this site, because further encroachment by the residential neighbourhood to the south could lead to future land-use conflicts.



With Site 5 located outside of the urban boundary and an insufficient land area to accommodate demand, it is not recommended as the future site for a new Employment Area within the City of Niagara Falls. Further evaluation of this site's localized criteria can be found in Figure 10-8.

Figure 10-7
City of Niagara Falls
Site 5 – North End - Club Italia Lands

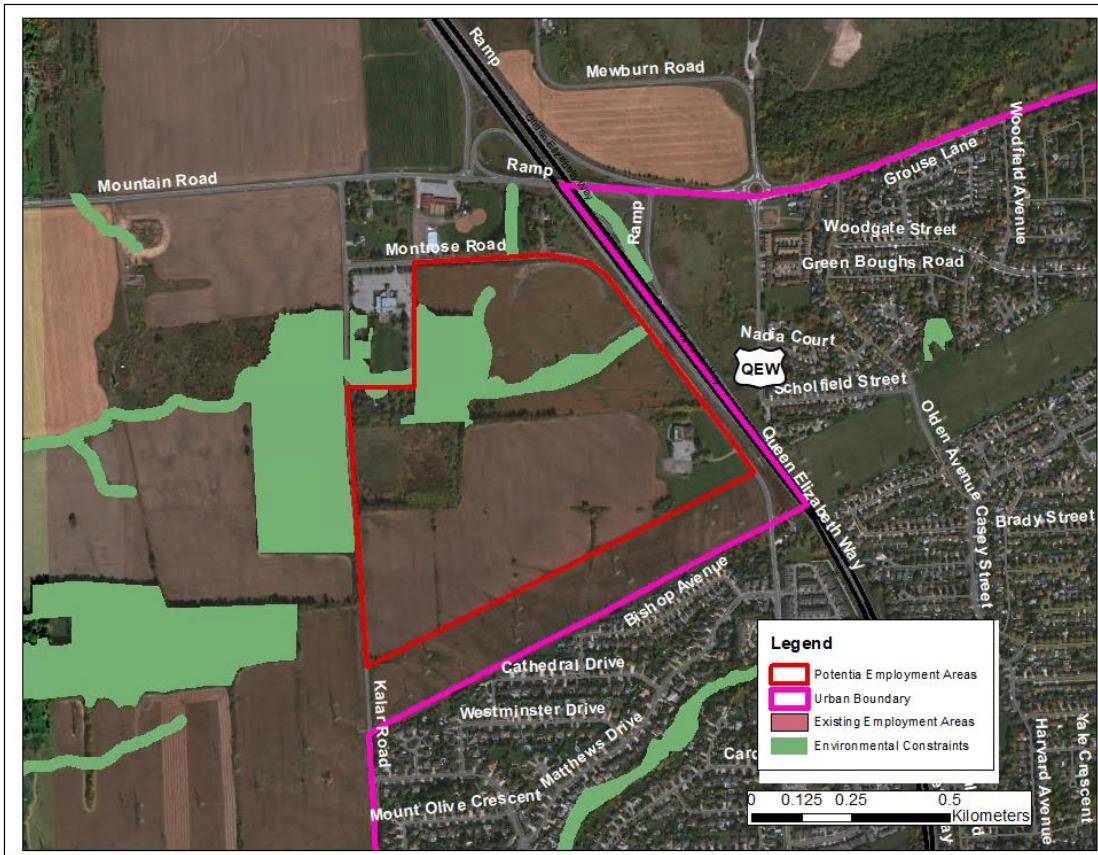




Figure 10-8
City of Niagara Falls
Urban Employment Area Expansion Sites Reviewed

Topic Area		Options		Site 1 - Crawford Farm and Surrounding Area	Site 2 - Future South Niagara Hospital and Surrounding Lands	Site 3 - Stanley at Logan	Site 4 - South End - Biggar at Crowland	Site 5 - Club Italia Lands
Primary Principles								
Growth Management/ Land-Use Planning	Is the proposed site capable of meeting the employment land shortfall of 76 ha ?	Yes	No					
	Is the proposed Employment Area within the existing Urban Boundary?	Within Urban Boundary	Outside Urban Boundary					
	Are there any adverse impacts of developing site area as Employment Area on nearby or adjacent land uses?	Minimal Impacts	Adverse Impacts Exist					
Localized Criteria								
Municipal Servicing and Impacts	Is the area subject to 1,000 m area of influence that may restrict sensitive land uses?	Yes	No					
Environmental Protection and Protection of Resources	How much of the site area includes proposed lands are located within the Natural Heritage System or designated Environmental Protection /Conservation Area?	Less than 25%	Greater than 25%					
Agriculture & Agri-Food Network	What is the impact on the broader Agri-Food Network if developed as urban employment? (i.e., is the site currently used for growing crops / Is the site designated Good General Agriculture)	Not used as agriculture	Designated Agriculture					
Market Analysis	Are there significant constraints on the site area that would negatively impact the feasibility of the development of the site and site configuration? (e.g., topography, specific requirements for site plan approval)	Minimal Constraints	Significant Constraints					
	Is the expansion area in an area with the highest demand for Employment Area growth?	Yes	No					
	Does the site area offer the opportunity to expand an Existing Employment Area (critical mass)?	Expansion of Existing Employment Area	No Expansion from Existing Employment Area					
	How well can the site area (or parcel) access major transportation corridor such as a Provincial Highway (QEW)?	Abutting QEW	No Frontage to QEW but direct access					
Recommendation				Site meets all primary principles & most of the localized criteria. Recommended.	Site does not meet all primary principles. Not recommended	Site does not meet all primary principles. Not recommended	Site does not meet all primary principles. Not recommended	Site does not meet all primary principles. Not recommended



10.5 Preferred Employment Area Expansion Site

Based on the Employment Area assessment, it is recommended that 'Site 1 - Crawford Farm and Surrounding Area (South of Welland River)' is the preferred site for a future Employment Area within the City of Niagara Falls. This is the only site which meets all the primary principles of being within the urban boundary, having a sufficient land area to accommodate forecast employment demand and minimal land use compatibility concerns are associated with developing this site as an Employment Area. The site meets nearly all localized criteria except for a high degree of environmental features. This site would also capture the future location of the proposed wastewater treatment facility. Developing the area surrounding the wastewater treatment facility as employment would prevent sensitive land uses from causing a potential conflict. Through the Secondary Planning process of this site, an environmental assessment study will be required to determine the appropriate environmental buffers and setbacks for the development of this site.

The development of Site 1 as an extension of the Montrose Road Industrial Area leverages the existing functioning of the surrounding Employment Areas. There is a history of employment land demand already established in this area of the City with the Montrose Road Industrial Area and Stanley Avenue Business Park, and this preferred site would be well poised to capture future demand. It's direct access to the Q.E.W., relatively unencumbered by residential lands make this a desirable location for industry to establish their business operations.



Appendices



Appendix A

City of Niagara Falls

Employment and Demographic

Trends



Appendix A: City of Niagara Falls Employment and Demographic Trends

Employment Trends and Industry Cluster Trends

This section examines the employment base and growth trends for the City of Niagara Falls in relation to Niagara Region and the Province of Ontario.

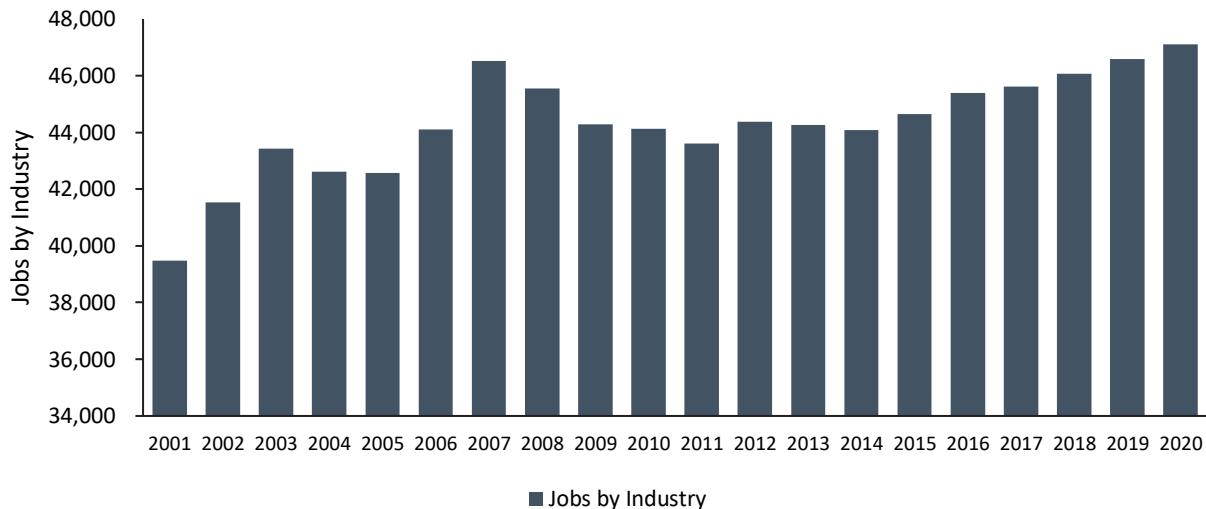
City of Niagara Falls Employment Trends

Figure A-1 shows the total number of jobs (self-employed and employees) by industry for the City of Niagara Falls from 2001 to 2020. Key observations include the following:

- In 2020, Niagara Falls had an employment base of 47,103 jobs, including both self-employed and employees of local businesses. The City accounted for 22% of all jobs in Niagara Region (217,731 jobs);
- Jobs in the City grew from 39,467 in 2001 to 47,103 jobs in 2020, a net increase of 7,636 or 19.3%; and
- After experiencing a decline in 2004, jobs in the City grew until 2007 where it peaked at 46,529 jobs, after which jobs declined coinciding with the onset of the 2008/2009 global economic recession and post-recession impacts that resulted in a decline in jobs until 2011.



Figure A-1
Total Jobs, Self-employed and Employed, City of Niagara Falls, 2001 to 2020



Source: EMSI Analyst, 2020.

Niagara Falls has a diverse industrial base, as shown in Figure A-2. The largest sector is accommodation and food services, accounting for 27% of all jobs. This is not surprising given the importance of the tourism sector to the City. Other top sectors include retail trade, and arts, entertainment, and recreation, making up 11.6% and 9.8% of all jobs in the City, respectively. Combined, these three sectors make up 49% of all jobs in the City and form important components of the tourism sector, which is a target sector for the City.

Other sectors of importance include health care and construction, which are generally population-related employment based. Manufacturing is also an important sector, accounting for 5.7% of all jobs in the City.



Figure A-2
City of Niagara Falls Jobs by Sector, 2020

Industry (N.A.I.C.S.)	Jobs	% of Total
Total Jobs	47,103	100.0%
Accommodation and food services	12,758	27.1%
Retail trade	5,470	11.6%
Arts, entertainment, and recreation	4,631	9.8%
Health care and social assistance	4,084	8.7%
Construction	3,127	6.6%
Administrative and support, waste management and remediation services	2,708	5.7%
Manufacturing	2,684	5.7%
Other services (except public administration)	1,919	4.1%
Professional, scientific, and technical services	1,802	3.8%
Public administration	1,647	3.5%
Transportation and warehousing	1,628	3.5%
Wholesale trade	1,461	3.1%
Educational services	1,272	2.7%
Finance and insurance	569	1.2%
Real estate and rental and leasing	515	1.1%
Information and cultural industries	289	0.6%
Utilities	287	0.6%
Agriculture, forestry, fishing, and hunting	164	0.3%
Mining, quarrying, and oil and gas extraction	54	0.1%
Management of companies and enterprises	33	0.1%

Source: EMSI Analyst, 2020.

Figure A-3 shows the concentration of jobs in the City of Niagara Falls relative to Niagara Region and the Province. The strength of the business and industrial sectors was measured using the location quotient (L.Q.). Key observations include the following:

- Niagara Falls' economy is largely oriented towards the tourism, cultural and support services, including arts, entertainment, and recreation, accommodation and food services, and retail trade;
- Compared to the Province, Niagara Falls has a relatively low concentration of employment (L.Q. below 0.50) in several key sectors, including finance and insurance, information and cultural industries, educational services, and professional, scientific, and technical services (P.S.T.S.). These sectors are

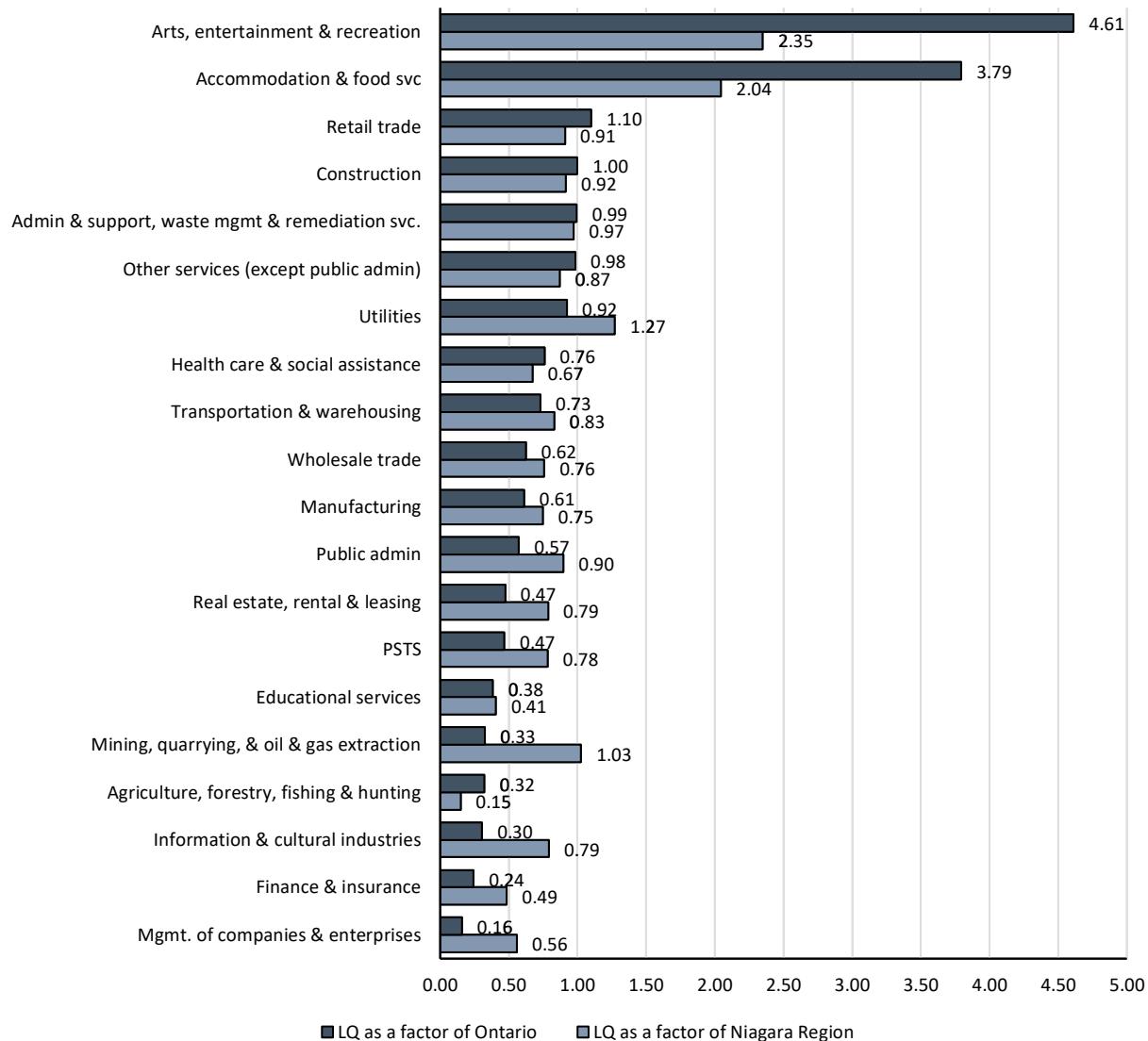


important components of the knowledge economy for the G.T.H.A. The City could focus on putting adequate support systems in place to attract talent and foster local growth;

- While manufacturing is a target sector for the City, the sector shows a low concentration of jobs with an L.Q. of 0.61 as a factor of the Province and 0.75 as a factor of Niagara Region. It is understood that the increased automation of skills and jobs is one of the most prominent threats facing the local manufacturing sector. While the degree of automation is unknown, technology needs will continue to impact manufacturing labour needs and employment land requirements.



Figure A-3
City of Niagara Falls Jobs Location Quotient Relative to Niagara Region & Ontario,
2020



Source: EMSI Analyst, 2020.

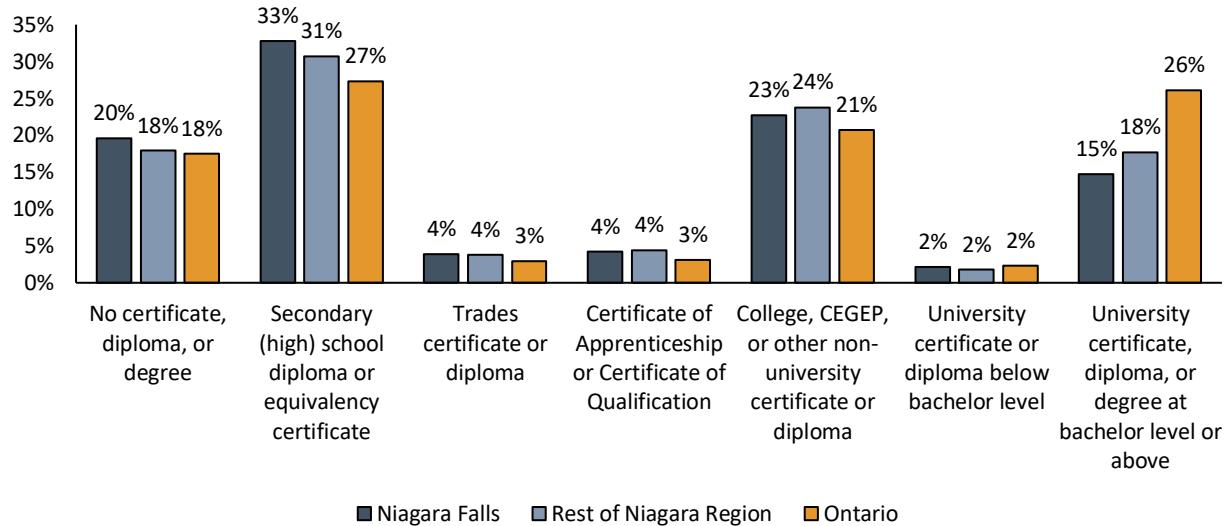
Educational Attainment and Occupation

In 2020, 18% of the Niagara Falls labour force had no certificate, diploma, or degree, similar to that of the rest of Niagara Region. The City has a higher share of the labour force with a high school diploma at 33% compared to the Province at 27%. The share



of people with a college, CEGEP, or non-university diploma or degree is also comparable to the rest of Niagara Region and the Province. Niagara Falls, however, has a comparatively low proportion of the labour force with a university certificate, diploma, or degree at a bachelor level or above at 15% compared to the Province at 26%.

Figure A-5
City of Niagara Falls Educational Attainment, 2020

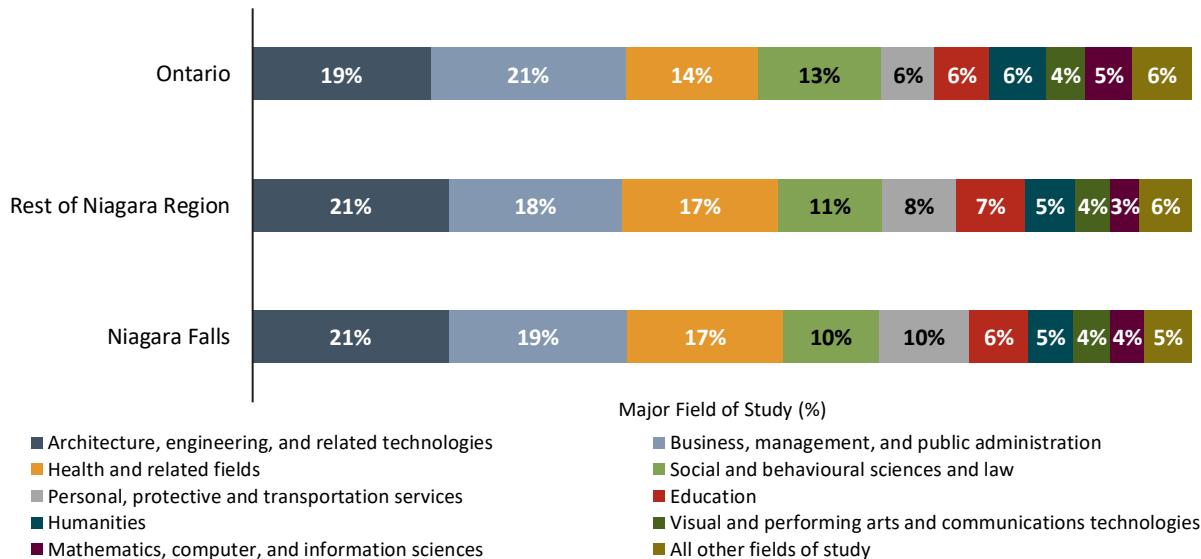


Source: Manifold Data Mining, 2020.

Architecture, engineering, and related technologies, business, management, and public administration, and health and related fields are the major fields of study for Niagara Falls (Figure A-6). Niagara Falls has a comparatively lower proportion of the labour force with education related to STEM fields including mathematics, computer and information sciences, and physical and life sciences and technologies. A similar trend is seen across the rest of Niagara Region and Ontario.



Figure A-6
City of Niagara Falls Education by Major Field of Study, 2020



Source: Manifold Data Mining, 2020.

Business Environment and Structure

Statistics Canada's Canadian Business Counts data provides a record of business establishments by industry and size, collected from the Canada Revenue Agency (C.R.A.), and is an effective indicator of economic performance over time. The data collected for Niagara Falls includes all local businesses that meet at least one of the three criteria below:

- Have an employee workforce for which they submit payroll remittances to C.R.A.; or
- Have a minimum of \$30,000 in annual sales revenue; or
- Are incorporated under a federal or provincial act and have filed a federal corporate income tax form within the past three years.

The Canadian Business Counts Data records business counts by "Total," "Indeterminate," and "Subtotal" categories. The establishments in the "Indeterminate" category include the self-employed (i.e. those who do not maintain an employee payroll but may have a workforce consisting of contracted workers, family members, or business owners). It should be noted that the Canadian Business Counts Data uses the C.R.A. as a primary resource in establishment counts; therefore, businesses without a



business number or indicating annual sales less than \$30,000 are not included. The population of these small, unincorporated businesses is thought to be in the range of 600,000 in all of Canada.

Current Business Structure

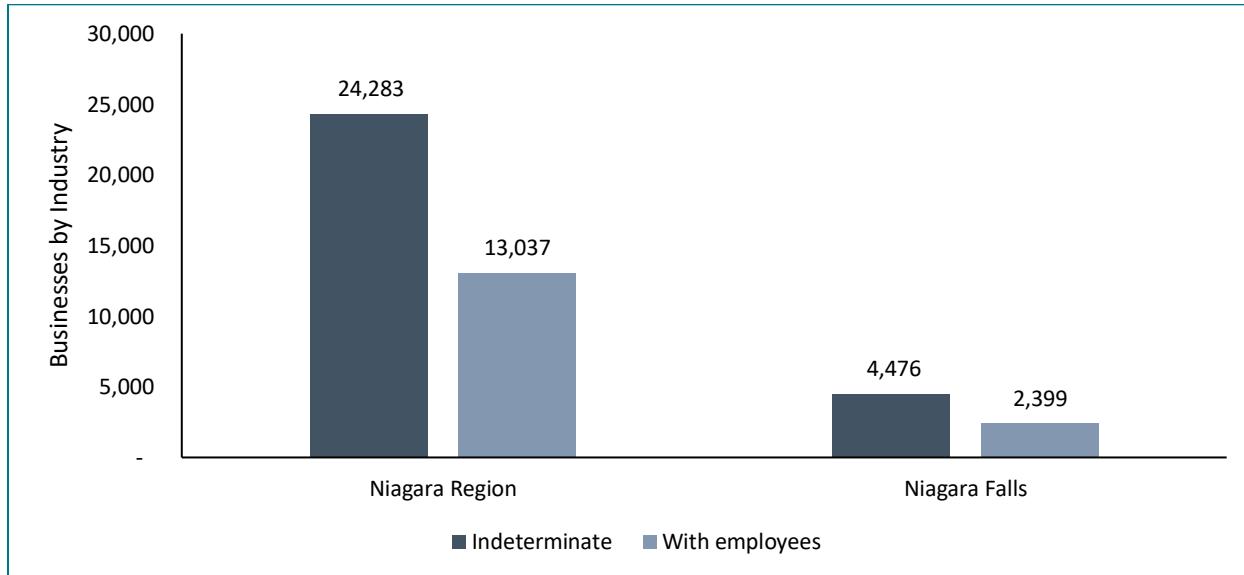
A detailed review of the business counts data provides an understanding of the key characteristics that define Niagara Falls' business community. When combined with the broader industry analysis, the business counts will assist in understanding the key industry opportunities for City and associated employment land implications.

As of December 2019, a total of 7,506 businesses were registered in Niagara Falls. These include businesses classified by industry (6,875 businesses) and those unclassified (631 businesses). Figure A-7 shows the total businesses classified by industry in the City of Niagara Falls and Niagara Region. Key observations include the following:

- Of the 6,875 businesses classified by industry, the majority were self-employed establishments (65% or 4,476 businesses) while the remaining were businesses with employees (35% or 2,399 businesses); and
- Niagara Falls accounted for 18% of all businesses by industry in Niagara Region (37,320 businesses).



Figure A-7
Total Businesses by Industry, Niagara Region, and the City of Niagara Falls, 2019



Source: Canadian Business Counts, 2020

As shown in Figure A-8, of the 2,399 businesses with employees, the majority are small businesses employing between one and nine employees (24% of total businesses by industry). The City is also a centre for large business establishments with approximately 71 businesses, employing at least 100 employees.

Figure A-8
Business by Size, Niagara Falls, 2019

Total Businesses by Industry (2019)	Without employees	Total, with employees							
		1-4	5-9	10-19	20-49	50-99	100-199	200-499	500 +
6,875	4,476	1,115	503	333	248	129	41	23	7
100%	65%	16%	7%	5%	4%	1.9%	0.6%	0.3%	0.1%

Source: Canadian Business Counts, 2020

Business Structure by Sector

Figure A-9 illustrates the business counts by industry sector and the proportion of businesses by self-employed and employee-based establishments.



The following sectors exhibited the highest proportion of business establishments by industry in 2019. These include sole-proprietorships and businesses with employees:

- Real estate and rental and leasing – 1,641 businesses (24% of total);
- Construction – 740 businesses (11% of total); and
- Retail trade – 628 businesses (9% of total).

The sectors with the highest number of sole proprietors in 2019 were:

- Real estate and rental and leasing – 1,531 businesses (34% of total without employees);
- Construction – 484 businesses (11% of total without employees); and
- Professional, scientific, and technical services – 362 businesses (8% of total without employees).

Analyzing businesses with employees, it was determined that top industry sectors in 2019 were:

- Retail trade – 399 businesses (17% of total with employees);
- Accommodation and food services – 394 businesses (16% of total with employees); and
- Construction – 256 businesses (11% of total with employees).



Figure A-9
Businesses by Industry Sector (N.A.I.C.S.), Niagara Falls, 2019

Businesses by Industry Sector (N.A.I.C.S.)	Total		Without employees		Total, with employees	
	Counts	% of Total	Counts	% of Total	Counts	% of Total
Total	6,875	100%	4,476	100%	2,399	100%
Agriculture, forestry, fishing, and hunting	36	0.5%	28	0.6%	8	0.3%
Mining, quarrying, and oil and gas extraction	6	0.1%	3	0.1%	3	0.1%
Utilities	8	0.1%	6	0.1%	2	0.1%
Construction	740	10.8%	484	10.8%	256	10.7%
Manufacturing	170	2.5%	79	1.8%	91	3.8%
Wholesale trade	159	2.3%	78	1.7%	81	3.4%
Retail trade	628	9.1%	229	5.1%	399	16.6%
Transportation and warehousing	408	5.9%	299	6.7%	109	4.5%
Information and cultural industries	73	1.1%	48	1.1%	25	1.0%
Finance and insurance	356	5.2%	267	6.0%	89	3.7%
Real estate and rental and leasing	1,641	23.9%	1,531	34.2%	110	4.6%
Professional, scientific, and technical services	540	7.9%	362	8.1%	178	7.4%
Management of companies and enterprises	49	0.7%	41	0.9%	8	0.3%
Admin & support, waste mgmt. & remediation	271	3.9%	170	3.8%	101	4.2%
Educational services	56	0.8%	43	1.0%	13	0.5%
Health care and social assistance	455	6.6%	211	4.7%	244	10.2%
Arts, entertainment, and recreation	156	2.3%	85	1.9%	71	3.0%
Accommodation and food services	579	8.4%	185	4.1%	394	16.4%
Other services (except public administration)	542	7.9%	327	7.3%	215	9.0%
Public administration	2	0.0%	-	0.0%	2	0.1%

Source: Canadian Business Counts, 2020

The business L.Q. profile details the concentration of businesses across all sectors for the City of Niagara Falls. The analysis benchmarks the City's business sectors to the Region and the Province of Ontario. The key findings are listed below:

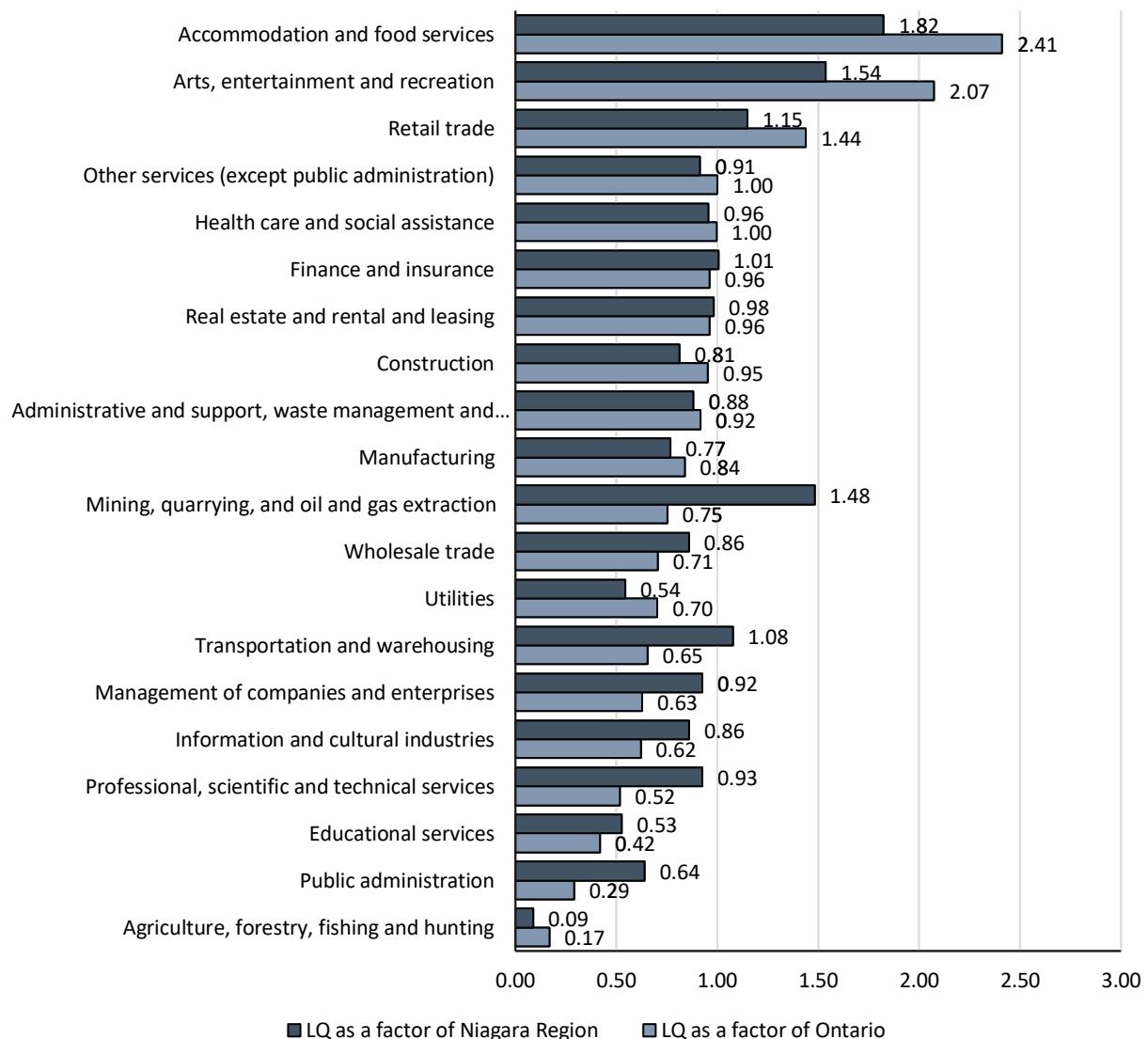
- Accommodation and food services with an L.Q. of 2.74 indicates that the City of Niagara Falls has a proportionately "high" concentration of businesses in that industry compared to the Province. Similarly, when compared to Niagara Region, it shows an L.Q. of 1.79, indicating a high concentration. This is consistent with the findings indicated in the jobs L.Q. analysis above.



- Other sectors of comparative strength, when compared to the Province, include retail trade (L.Q. of 1.39), arts, entertainment, and recreation (L.Q. of 1.30) and other services (except public administration) (L.Q. of 1.18). It is noted that these sectors, along with accommodation and food services, form core components of the tourism sector which is a driving force in the local economy and had been a core economic development focus across recent years.
- Sectors that are “on par” with the Province include construction (L.Q. of 1.09) and real estate and rental leasing.
- Conversely, notable sectors of comparative weakness when compared to Niagara Region and the Province include educational services (L.Q. of 0.67) and professional, scientific, and technical services (L.Q. of 0.57). These are areas that the City of Niagara Falls has indicated in their 2018 Economic Development Strategy as priorities for growth.
- Note, the high L.Q. reading of 1.42 when compared to Niagara Region for the mining and oil gas extraction sector is due to extremely low business counts and should not be misinterpreted for a sector of strength.



Figure A-10
City of Niagara Falls Business Location Quotient Relative to Niagara Region & Ontario,
2020



Source: Canadian Business Counts, 2020



Appendix B

Historical Non-Residential Development Activity in the City of Niagara Falls



Appendix B: Historical Non-Residential Development Activity in the City of Niagara Falls

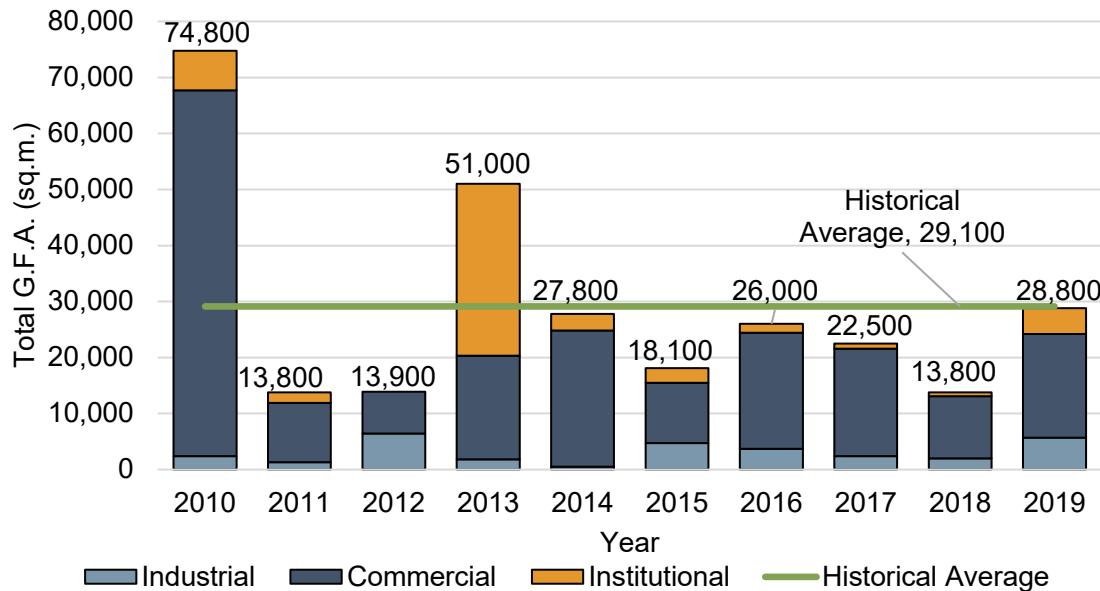
Historical Non-Residential Building Permit Activity by Industrial-Commercial-Institutional (I.C.I.), 2010 to 2019

Figure B-1 summarizes non-residential building construction by industrial, commercial, and institutional sector (I.C.I.) for the City of Niagara Falls during the 2010 to 2019 period expressed in G.F.A. (gross floor area) (sq.m).

- The City of Niagara Falls has averaged 29,100 sq.m (312,800 sq.ft.) of non-residential building activity annually over the 2010 to 2019 period. Construction of commercial buildings accounted for 71% of recent non-residential activity, while construction activity related to industrial development accounted for 11%;
- Roughly half of all industrial building permit activity occurred outside the City's Employment Areas. A large share of this building permit activity outside Employment Areas was located at Solvay in 2012;
- Over half (59% of G.F.A.) the non-residential building activity has been accounted through the construction of new buildings; and
- Only 8% of G.F.A. associated with addition/expansions to existing buildings has occurred within the industrial sector. The commercial sector accounted for a majority of the G.F.A. expansions within the City.



Figure B-1
Annual G.F.A. Development Activity (sq.m.) by I.C.I. Sectors, 2010 to 2019



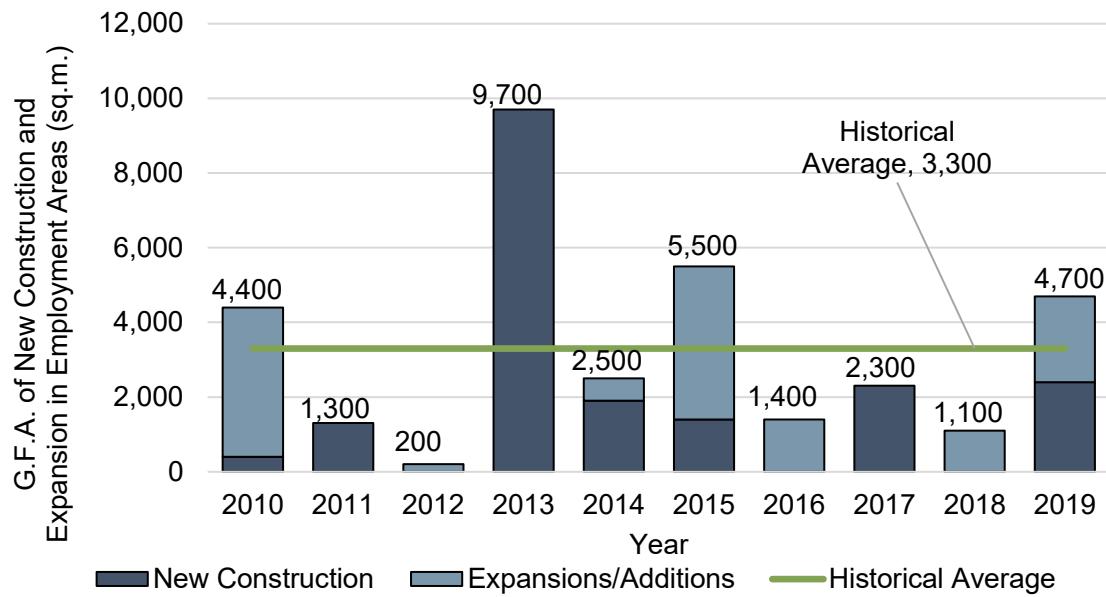
Source: Derived from City of Niagara Falls building permits, 2010 to 2019, by Watson & Associates Economists Ltd., 2020.

Figure B-2 summarizes non-residential building construction in Employment Areas throughout Niagara Falls during the 2010 to 2019 period, expressed in G.F.A. (sq.m.). As shown, the City's Employment Areas have averaged 3,300 sq.m (35,500 sq.ft.) annually in non-residential building activity over the 2010 to 2019 period, which accounts for only 11% of City-wide non-residential development activity. Roughly half the non-residential development activity within the industrial sector occurred within the City's Employment Areas. Construction activity in Employment Areas has been dominated by new construction, accounting for 59% of building construction activity.

Major expansions and new construction activity in the City's Employment Areas over the 2010 to 2019 period have largely occurred within the Montrose Road Industrial Area and the Niagara Falls Q.E.W./420 Employment Area. Together, these lands accounted for 70% of all G.F.A. development on Employment Areas. The Stanley Avenue Business Park accounted for 14% of G.F.A. growth, with the remaining Employment Areas facilitating minimal development. Industrial development patterns similarly occurred primarily in the Stanley Avenue Business Park, the Niagara Falls Q.E.W./420 Employment Area, and the Montrose Road Industrial Area.



Figure B-2
City of Niagara Falls
Annual G.F.A. Development Activity (sq.m.) in Employment Areas, 2010 to 2019



Source: Derived from City of Niagara Falls building permits, 2010 to 2019, by Watson & Associates Economists Ltd., 2020.



Appendix C

Industry Sector Requirements



Appendix C: Industry Sector Requirements

At both the regional and local levels, location requirements of industry can vary considerably depending on the nature of the employment sector/use. Employment sectors typically situated in industrial areas have varying site-specific requirements. To be successful in attracting a broad range of employment sectors, it is recommended that the City's Employment Areas provide the following corresponding attributes, as summarized in Figure C-1.

Figure C-1
Employment Sector/Land Use Requirements

Employment Sector/Land Use	Requirements
Advanced Manufacturing	<ul style="list-style-type: none">• Access to 400-series/controlled access highways.• Access to skilled and unskilled labour.• Proximity to markets and related industries.• Proximity to U.S.• Competitive land prices.• Parcel size: 1-4+ ha.• Buffers from surrounding non-industrial uses.• General or prestige setting.• Expansion potential.
Distribution and Logistics	<ul style="list-style-type: none">• Access to 400-series/controlled access highways.• Excellent access/traffic circulation for heavy truck traffic.• Truck access, loading/unloading requirements.• Proximity to markets, U.S. border.• Competitive land prices.• Parcel size: 5-20 ha.• Flexibility in parcel configuration to accommodate large-scale users.• Possible need for open storage.• Compatible surrounding land uses/buffers from surrounding non-industrial uses.



	<ul style="list-style-type: none">• Expansion potential.• Ceiling height (typically 30 to 50+ ft.).• Access to on-site amenities and proximity to off-site services.
Research and Development/ “Knowledge-based” Sectors	<ul style="list-style-type: none">• Access to skilled labour force.• Proximity to related industry cluster (companies and public institutions such as universities).• Prestige “campus-like” setting.• Parcel size: 1-2 ha for standalone building or facility space within multi-tenant incubator/accelerator type building.• Flexible leasing options.• Proximity to transit.• Access to on-site amenities and proximity to off-site services.
Corporate/ Government Office	<ul style="list-style-type: none">• Prestige setting.• Access to skilled labour force.• Access and exposure to 400-series/limited access highway or major arterials.• Access to on-site amenities and proximity to off-site services.• Parcel size: 1-2 ha.• Proximity to transit.
Professional, Scientific, and Technical Services/Business Services	<ul style="list-style-type: none">• Access to on-site amenities and proximity to off-site services.• Prestige setting.• Access to skilled labour force.• Flexible leasing structures and market choice (multi-tenant vs. freestanding office, Class A vs. Type B Office Space, and multi-tenant industrial condominiums).• Proximity to transit.
Construction	<ul style="list-style-type: none">• Access to skilled and semi-skilled labour force.• Competitive land prices.• Proximity to customer base.



	<ul style="list-style-type: none">• Range of size of development sites.• Need for open storage.
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