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PLANNING JUSTIFICATION AND IMPACT ANALYSIS REPORT

Addendum – Housing Impact Statement - Affordability

**3665 Macklem Street, Niagara Falls, ON
(Vedas Developers)**

September 2025
Quartek Project #22146



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A. INTRODUCTION

As requested by the City of Niagara Falls Planning Staff on September 11th, 2025, this addendum letter has been prepared to provide additional planning analysis pertaining to the Planning Justification Report that was submitted for the Official Plan and Zoning Bylaw Application for 3665 Macklem Street, Niagara Falls.

This additional analysis is requested to support the submitted Planning Justification Report prepared by Quartek Group Inc., and to complete an analysis of the City's affordability policies, the Niagara Region Official Plan (2022) and the requested zoning relief.

This additional planning analysis should be read in conjunction with the Planning Justification Report prepared by Quartek Group Inc., dated July 2025.

B. PLANNING ANALYSIS – HOUSING POLICIES – OFFICIAL PLAN AMENDMENT 149

Visions and goals

The City's new housing policies that were approved by City Council via OPA 149 were prepared in response to the findings and directions of the City's Housing Directions Study (2020). The policies were prepared to direct the municipality (corporation) and guide private applications with regard to housing affordability and supply within the City.

The new policy set ensures that within the City of Niagara Falls there is a safe, stable and appropriate range of housing choices and opportunities that meet residents physical and financial needs throughout a lifetime.

The goals that are used to implement this vision pertain to housing availability, diversification of supply, prices and tenure types, the removal of barriers for alternative housing forms, the commitment to monitoring of supply and to work with partners and agencies to advance actions set out in the housing strategy.

Policy Analysis

The submitted Official Plan and Zoning By-Law Amendment will facilitate the development of 5-storey apartment building with 45 units.

As outlined in the Planning Justification Report prepared by Quartek Group Inc., the submitted application conforms with the relevant requirements of the Planning Act and are consistent with the 2024 Provincial Planning Statement. As indicated in the Planning Justification Report, the proposed development will require an Official Plan and Zoning Bylaw Amendment in order to permit additional height and minimum lot area. The proposed development otherwise complies with the general intent of the Official Plan and Zoning Bylaw.



Official Plan

The City's Official Plan policies seek to:

- Ensure housing is available throughout the City to meet the varying financial needs of existing and future residents.
- Diversify the City's housing supply to include a wider range of price points; mix of housing types and densities; and, a range of options for housing tenure (rental and ownership).
- Remove barriers to the creation of a range and mix of housing types, including alternative forms of housing throughout the City.
- Understand the City's housing system moving forward through continuous and ongoing comprehensive data collection, monitoring and reporting.
- Cultivate and maintain strong relationships with regional and municipal partners, other levels of government, the private sector, and not-for-profit sectors to advance the various actions set out in the City's Housing Strategy.

The City supports the consolidation of properties, the redevelopment of under-utilized parcels, the regeneration of existing housing stock, and the construction of mixed-use and multiple unit developments.

The City's Official Plan indicates that based on projections, it is expected that 20,220 new residential units will be built between 2021 and 2051—or 674 new residential units on an annual basis.

While the Niagara Region Official Plan has set a minimum target of 20% of all new rental housing built to be affordable and 10% of all new ownership housing built to be affordable, the City has set an annual target of 40% of all new residential units meeting the definition of affordable.



C. COMMUNITY PROFILE

2.2.1 Population		
Characteristic	Data	Value
Total Population (Number)	2016	88071
	2021	94415
Population Growth (Number)	Total	6344
	Percentage	7.2
Age (Years)	Average	43.9
	Median	44.8
Age Distribution	0 - 14 years	13895
	15 - 64 years	59855
	65+ years	20665
Mobility	Non-movers	81265
	Non-migrants	5515
	Migrants	5165

The City's average and median age (43.9 years and 44.8 years) is slightly lower than the St. Catharines-Niagara CMA (44.6 years and 46 years) but is higher than the province of Ontario (41.8 years and 41.6 years)

In regard to the age distribution of the City's residents:

- 14.7% are between 0-14 years, which is similar to the St. Catharines-Niagara CMA (14.5%) but slightly lower than the province of Ontario (15.8%);
- 63.4% are between 15-64 years, which is slightly higher than the St. Catharines-Niagara CMA (61.9%) but is lower than the province of Ontario (65.6%); and,
- 21.9% are over 65 years, which is slightly lower than the St. Catharines-Niagara CMA (23.6%) but is higher than the province of Ontario (18.5%).

Within one year (May 11, 2021), 81,265 residents did not move (88%), 5,515 residents moved within the City (6%), and 5,165 residents relocated to the City (5.6%) with the majority (4,345) relocating from other communities within Ontario (5.6%). During the same period, 372,060 St. Catharines-Niagara CMA residents did not move (88.2%), 49,730 moved within the CMA (5.5%), and 26,425 relocated to the CMA with the majority (23,270) relocating from other communities within Ontario (6.3%).

Reasons for housing demand:

1. The lack of mobility indicates that there are potentially limited housing options for those who wish to move or relocate within the City. This is a similar pattern of the mobility of residents within the CMA.



2. Consequently, the City has had to house a greater number of immigrants than other municipalities that form part of the CMA. As the greatest amount of immigration occurred prior to 1980, it suggests that the majority of immigrants have permanent housing.

This indicates that there is a demand for housing supply to accommodate the increasing population. Hence, it is necessary to also provide diverse housing options within the City that is located in a highly accessible area. Hence, the proposed development is an ideal proposal that will help facilitate the same.

D. PROPOSED DEVELOPMENT AND STATISTICS

The proposed development is a 5-storey apartment building with access along Mechanic Street.

An Official Plan amendment is required as the areas Official plan designation does not permit new developments in the Chippawa Satellite District in excess of 4 storeys in height. Since the use doesn't comply with the existing Official Plan Designation the permission would be subject to approval through an Official Plan Amendment.

Additionally, a zoning amendment is required to permit the 5-storey apartment building as it exceeds the height provision of the zoning by-law, where a maximum of 19 metres is permitted, but a maximum of 21 metres is being sought and for the minimum lot area.

Affordability Housing Target

'Affordable', as defined in the 2024 Provincial Planning Statement, is housing for which the purchase price results in annual accommodation costs that do not exceed 30 percent of gross income for low and moderate-income households.

Affordability is measured across a spectrum of income levels with low income represented by households earning up to \$64,800 annually and moderate incomes represented by households earning between \$64,800 and \$103,572 annually. In order to meet the affordability criteria, the value of the new build construction must be equal to or less than \$567,800.

a) In the case of ownership housing, the least expensive of:

- i) Housing for which the purchase price results in annual accommodation costs which do not exceed 30 percent of gross annual household income for low- and moderate-income households (as defined in the Provincial Planning Statement); or
- ii) Housing for which the purchase price is at least 10 percent below the average purchase price of a resale unit in the regional market area (as defined in the Provincial Planning Statement);



b) In the case of rental housing, the least expensive of:

- i) A unit for which the rent does not exceed 30 percent of gross annual household income for low- and moderate-income households (as defined in the Provincial Policy Statement); or
- ii) A unit for which the rent is at or below the average market rent of a unit in the regional market area (as defined in the Provincial Policy Statement) (Growth Plan, 2019).

Table 1 - Unit statistics:

FLOOR	GFA	COMMON	SELLABLE		1 BED+D	2 BED	2 BED+D	SUITES
1	892 m2	306 m2	586 m2	65.7%	2	2	3	7
2	743 m2	101 m2	642 m2	86.4%	4	1	3	8
3	892 m2	87 m2	805 m2	90.2%	4	3	3	10
4	892 m2	87 m2	805 m2	90.2%	4	3	3	10
5	892 m2	87 m2	805 m2	90.2%	4	3	3	10
6	80 m2	80 m2	m2	0.0%				
	4391 m2	748 m2	3643 m2	83.0%	18	12	15	45
					40.0%	26.7%	33.3%	

Table 2 - Sales price range - \$798 per sq.ft for the units:

Suite Type	No.of.Units	Description of Units.	Square Feet	Sale Price /sq.ft	Amount	Total Sellable Area
Type A	10	1 Bed + Den	720	789	\$ 568,080	7200
Type B	5	2 Bed + Den	920	789	\$ 725,880	4600
Type C	4	1 Bed + Den	680	789	\$ 536,520	2720
Type D	4	2 Bed + Den	1040	789	\$ 820,560	4160
Type E	3	2 Bed + Den	900	789	\$ 710,100	2700
Type F	3	2 Bed	840	789	\$ 662,760	2520
Type G	5	2 Bed + Den	1030	789	\$ 812,670	5150
Type H	5	2 Bed + Den	1050	789	\$ 828,450	5250
Type I	1	2 Bed + Den	990	789	\$ 781,110	990
Type J	4	1 Bed + Den	690	789	\$ 544,410	2760
Type K	1	2 Bed + Den	770	789	\$ 607,530	770
Total Units	45					38820
Average Residential Units						862.67
Note: This is based on the current market construction cost and it may vary.						

The proposed dwelling units will be sold at fair market value, approximately ranging from \$500,000 to \$850,000, and can be utilized by the purchaser or subsequent renters. Please note that these values are subjected to change based on market conditions and is only an approximate range.



Based on the calculations it is anticipated that about 18 units out of the 45 units fall within the benchmark range of \$567,800 established by the City to be considered affordable units.

E. PROPOSED DEVELOPMENT – CONTRIBUTING FACTORS

Various other factors add on to making the units in the development more affordable and desirable for the neighborhood:

1. Mix of housing types by adding apartment typology in an area that does not have as many apartment options. This is contributing to housing supply target.
2. Apartments are inherently more affordable than the nearby houses.
3. Permit higher density housing types on a piece of land – less lands and more units = sustainable option.
4. Providing a range of suite types with 40% of units being affordable units.
5. The building will add to increased property tax revenue.
6. Some suites have dens and are over 1000sq.ft and there are also more affordable suites without dens as low in the 600-700 sf range.
7. Some suites may potentially meet the Niagara Region's definition of affordable however price points cannot be confirmed this early in the project.
8. Strategic location near transit areas and commercial centres increases affordability for its residents by reducing transportation costs.
9. The new residents will tend to use the local businesses supporting economic sustainability of the neighborhood.

NIAGARA REGION INCOME DECILES	2016 INCOME	2016 TO 2021 CPI	2021 INCOME	MAX AFFORDABLE HOUSE PRICE	COMPOSITE BENCHMARK	SINGLE-FAMILY BENCHMARK	ONE-STOREY BENCHMARK	TWO-STOREY BENCHMARK	TOWNHOUSE BENCHMARK	APARTMENT BENCHMARK
Price	n/a	n/a	n/a	n/a	\$595,100	\$609,500	\$604,500	\$606,900	\$450,800	\$401,600
Low Income	\$19,400	13.75%	\$22,100	\$115,000	✗	✗	✗	✗	✗	✗
Low Income	\$29,500	13.75%	\$33,600	\$174,800	✗	✗	✗	✗	✗	✗
Low Income	\$39,800	13.75%	\$45,300	\$235,800	✗	✗	✗	✗	✗	✗
Moderate Income	\$52,700	13.75%	\$60,000	\$312,300	✗	✗	✗	✗	✗	✗
Moderate Income	\$68,400	13.75%	\$77,900	\$405,300	✗	✗	✗	✗	✗	✓
Moderate Income	\$84,300	13.75%	\$95,900	\$499,500	✗	✗	✗	✗	✓	✓
High Income	\$101,200	13.75%	\$115,200	\$599,600	✓	✗	✗	✗	✓	✓
High Income	\$122,200	13.75%	\$139,100	\$724,000	✓	✓	✓	✓	✓	✓
High Income	\$155,900	13.75%	\$177,400	\$923,700	✓	✓	✓	✓	✓	✓

Annual Household Income	Affordable Ownership Price
\$95,900 and above	\$499,500
\$77,900 and above	\$405,300
\$60,000 and above	\$312,300
\$45,300 and above	\$235,800

Data Source: CANREA, CREA, Bank of Canada, Niagara Association of REALTORS

The average selling price for market dwellings is increasing year over year. Very few ownership housing options are affordable to households earning less than \$85,000 annually.

The developer remains committed to working collaboratively with the City on future initiatives and contributions that support inclusive and sustainable communities.



It is our professional opinion that this proposed development is an appropriate intensification proposal that represents an efficient, well-designed development in a desirable location, represents good planning and should be approved by the City of Niagara Falls.

If any matters require further clarification or discussion, please contact the undersigned.

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E. REFERENCES

1. Planning Act, R.S.O. 1990, c. P.13, Ministry of Municipal Affairs and Ministry of Housing
2. Provincial Policy Statement, Ministry of Municipal Affairs and Ministry of Housing (2024)
3. Niagara Regional Official Plan 2022
4. City of Niagara Falls Official Plan
5. City of Niagara Falls Zoning By-law 79-200
6. Site specific Bylaw - 2013-032
7. Committee of Adjustment decision A-2020-018

