

EMPLOYMENT LAND NEEDS ASSESSMENT



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In Association with:

**URBAN
STRATEGIES
INC.**

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EXECUTIVE SUMMARY

The influence of the western Greater Toronto Area and Hamilton (GTAH) economy continues to reach into the heart of Niagara Region. Population growth has recovered from a long period of slow growth and employment is growing, particularly within St. Catharines where the estimated population for 2017 is over 140,000 and employment is nearing 65,000 jobs. Traditional industrial economic activities such as manufacturing have not been exempt from the broader influences of economic restructuring and the evolving role of the City within the Region. Future economic development and employment growth in St. Catharines will reflect the new realities of the City as a more mature urban centre that has shifted away from its manufacturing past to an economic base that more reflective of its role as a regional service centre and retail hub. The City's greenfield residential land supply is also largely built-out, meaning residential growth will be accommodated primarily through intensification and infill of the existing urban area and higher-density development. Downtown St. Catharines is the only Provincially-designated Urban Growth Centre in Niagara, and is planned to be a focal point for office and commercial development. While much of the future job growth will be found in offices, mixed-use areas and areas associated with large institutions, it is still appropriate to protect important employment land opportunities for a wide range of future economic activities.

The City of St. Catharines retained Hemson Consulting Ltd., in association with Urban Strategies Inc., to undertake an Employment Land Needs Assessment (ELNA). The purpose of the ELNA is to evaluate how and where employment growth will take shape in St. Catharines and to determine the City's employment area land needs to accommodate job growth and support a healthy economy over the long-term. This study has examined the future employment land needs for St. Catharines within the context of Provincial, Regional and local land use and growth management plans. Specific direction for planning for employment growth and protecting employment lands is found in the *Growth Plan for the Greater Golden Horseshoe* (2017), *Niagara Regional Official Plan* and *The Garden City Plan*. The ELNA will help to inform a Regional Municipal Comprehensive Review (MCR) currently being undertaken by the Region of Niagara. The MCR will ultimately result in the allocation of population and employment growth to St. Catharines to 2041, will establish Regional Employment Areas and the land budget to accommodate growth to 2041 across the

Region. It will also determine whether any conversions of existing employment areas to alternative uses is warranted.

The following are the key conclusions of the Employment Land Needs Assessment:

- St. Catharines is the largest population and employment centre within Niagara Region. The City experienced slow residential growth in recent decades as the City's population has aged and many young adults have migrated to areas with better economic opportunity. Employment growth has been variable over the same period, as the economic base has shifted away from the historic manufacturing base. Census results indicate there was no net growth in employment between 1991 and 2016.
- The aging of the population is a key consideration in planning for future residential and non-residential growth, as an aging population means fewer people in the labour force. The out-migration of working-aged adults further contributes to these labour force effects. Like most communities in Ontario, an aging population is expected to continue in St. Catharines over the forecast horizon to 2041.
- The economy of St. Catharines has shifted in large part away from manufacturing and other traditional industrial activities toward a greater focus on professional and commercial services and institutional sectors, indicative of the City's role as a regional service centre. It is anticipated that employment providing services to the local and regional population as well as those in an office (rather than industrial) setting will represent a significant portion of future employment growth in St. Catharines.
- The employment forecast for St. Catharines is for growth of 18,000 jobs from 2016 to 2041, which amounts to 29% growth over 25 years. This is based on an allocation to St. Catharines from the expected growth in Niagara Region. The outlook for the next 25 years is significantly higher than the past 25 years, based on Niagara and St. Catharines becoming more integrated with the rapidly growing GTAH. The premise for this outlook for the future of St. Catharines is similar to the experiences of Hamilton and Brantford which both experienced long periods of slow growth and economic restructuring before returning to a growth phase as they became more integrated with the GTAH economic region. Most of St. Catharines employment growth will be in population-related and major office employment and much of the City's future job growth will occur on mixed-use and commercially designated lands.
- An updated St. Catharines employment land supply inventory indicates the City has 111 ha of vacant designated employment lands. The City is expected to add just over 3,200 employment land employment jobs (those jobs occurring in industrial-type buildings), resulting in a new employment land need of 77 ha over

the planning horizon to 2041. Taking into account the City's existing employment on occupied employment lands, an estimated density of 40 jobs per ha, and a minor adjustment to account for long-term vacancy, a potential surplus of 18 ha has been identified.

- Based on the assumptions and results of the analysis, the City may choose to consider some minor changes to land use designations, such as converting a small amount of land from employment to a mixed-use designation.
- The City should maintain its remaining vacant greenfield employment lands solely for employment use in order to provide for a range of employers and achieve its long-term employment growth outlook.
- Some changes to *The Garden City Plan* policies are recommended to ensure appropriate direction for Employment Area lands, relating to the definition of major office, permissions for major retail, establishing a hierarchy of business park types and the addition of economic objectives to the official plan.
 - The definition of “major office” should be updated to align with the new definition in the *Growth Plan*.
 - Strategic opportunities to permit major retail on low-performing employment lands should be explored during the next official plan review.
 - Use permissions within General Employment and Business Commercial Areas should be reviewed to establish a clear hierarchy of business park types.
 - The official plan could benefit from the inclusion of specific objectives and policies that support the City's economic development strategy.
- Although planning to 2041, the City should be cognizant of the longer-term vision and how to ensure St. Catharines remains a great place to live and work.

The results of the ELNA have been shared with key stakeholders, and finalized based on stakeholder feedback and City and Regional staff comments. The final employment forecasts and employment land needs results provide a key input to Phase 4 of the Regional MCR which will ultimately provide the final growth allocations that the City will need to plan for to 2041, associated land needs, and mapping of Employment Areas in the *Regional Official Plan*.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	I
I INTRODUCTION	1
II PLANNING FOR EMPLOYMENT AND EMPLOYMENT LANDS IN ST. CATHARINES.....	4
A. PROVINCIAL POLICY STATEMENT STATES NEED TO PLAN FOR EMPLOYMENT.....	4
B. <i>GROWTH PLAN</i> FOR THE GREATER GOLDEN HORSESHOE PROVIDES DIRECTION ON PLANNING FOR EMPLOYMENT	5
C. NIAGARA REGION OFFICIAL PLAN ALSO PROVIDES POLICIES FOR ECONOMIC DEVELOPMENT AND EMPLOYMENT LANDS PLANNING...	7
D. THE GARDEN CITY PLAN PROVIDES MORE DETAILED EMPLOYMENT LAND POLICY AND LAND USE PERMISSIONS.....	9
III RECENT GROWTH AND ECONOMIC CHANGE	12
A. RESIDENTIAL GROWTH IN ST. CATHARINES HIGHLIGHTS KEY DEMOGRAPHIC CHANGE	12
B. EMPLOYMENT GROWTH HAS BEEN VARIABLE AMIDST SHIFTING ECONOMIC BASE.....	16
C. NIAGARA REGION EMPLOYMENT INVENTORY (NREI)	18
D. LAND USE BASED EMPLOYMENT CATEGORIES	19
IV EMPLOYMENT FORECAST	21
A. 2016 CENSUS RESULTS SIMILAR TO THE ESTIMATED 2016 EMPLOYMENT USED IN THE NIAGARA MCR ALLOCATION WORK.....	21
B. REGIONAL FORECAST AND ALLOCATION TO ST. CATHARINES BASED ON MUCH HIGHER GROWTH OUTLOOK OVER THE NEXT 25 YEARS	22
C. ST. CATHARINES ANTICIPATED TO ADD 18,000 JOBS OVER A 2016 TO 2041 PLANNING HORIZON.	23
D. GEOGRAPHY OF FUTURE EMPLOYMENT GROWTH	26
V ST. CATHARINES EMPLOYMENT AREAS	27
A. EMPLOYMENT LAND SUPPLY INVENTORY	27
B. DEFINING ST. CATHARINES EMPLOYMENT AREAS	28
C. ESTIMATED EMPLOYMENT DENSITIES	29
VI RESULTS: LAND NEED, CONVERSIONS AND POLICY UPDATES.....	32
A. SUPPLY SUFFICIENT TO MEET DEMAND FOR EMPLOYMENT LAND....	32
B. RECOMMENDATIONS FOR CHANGES TO LAND USE DESIGNATIONS	33
C. RECOMMENDED UPDATES TO GARDEN CITY PLAN POLICIES.....	34
VII CONCLUSIONS AND NEXT STEPS	39

Appendix Input to Niagara Region Provincial Land Needs Assessment (LNA)

List of Tables, Maps and Figures

- Map 1 St. Catharines in a Niagara Region Context, p.1
- Table 1 Historical Total Population Growth, 2001-2016, City of St. Catharines, p.12
- Table 2 Historical Occupied Household Growth, 2001-2016, City of St. Catharines, p.13
- Figure 1 Migrant Age Structure, City of St. Catharines, 2011-2016, p.14
- Figure 2 Historical Population Age Structure, City of St. Catharines, 2001 and 2016, p.15
- Figure 3 Forecast Population Age Structure, City of St. Catharines, 2016 and 2041, p.15
- Table 3 Historical Employment Growth, 2001-2016, City of St. Catharines, p.16
- Table 4 Place of Work Employment, Niagara Region by Area Municipality, 2006-2016, p.17
- Figure 4 Total Employment Growth by NAICS, City of St. Catharines, 2001-2016, p.18
- Table 5 Comparison: Niagara Region Employment Survey and Census Results, City of St. Catharines, p.19
- Table 6 Historical Place of Work Employment, City of St. Catharines, 2001-2016, p.20
- Table 7 Historical Place of Work Employment, Niagara Region, 2001-2016, p.20
- Table 8 2016 Forecast and Census Results Comparison, City of St. Catharines, p.21
- Table 9 Forecast Employment Growth by Type, City of St. Catharines, 2016-2041, p.25
- Table 10 Employment Land Supply Comparison, City of St. Catharines, p.27
- Map 2 Vacant and Occupied Employment Lands, City of St. Catharines, p.28
- Map 3 City of St. Catharines Employment Areas, p.29
- Table 11 Estimated Employment Density on Employment Lands, City of St. Catharines, 2017, p.30
- Map 4: Occupied Employment Areas for Density Analysis, p. 31
- Table 12 Employment Area Land Need to 2041, City of St. Catharines, p.33

I INTRODUCTION

The City of St. Catharines is the largest municipality within Niagara Region in terms of population and employment and plays a key role as an economic and regional service centre. *The Garden City Plan* is the City's official plan and establishes the growth management policies and land use designations intended to guide growth and development in St. Catharines, in a manner consistent with the broader Provincial and Niagara Regional policy framework for managing growth and land use. As part of its ongoing long-term planning and growth management work, the City has retained Hemson Consulting Ltd. in association with Urban Strategies Inc. to prepare an Employment Land Needs Assessment (ELNA).

Map 1: Niagara Region



The purpose of the ELNA is to assess St. Catharines' employment area land supply and to assist the City in planning for employment growth, ensuring an adequate and appropriate land supply for a range of employers and employment uses over the long-term. The study will provide a key input to land use planning and planning for employment and economic growth in St. Catharines and will help to establish and support the City's long-term objectives for economic growth and land use. The study will also help City staff to evaluate proposed employment land conversions.

This study focused on the following key questions:

- What is the employment growth outlook for the City?
- What broader economic changes should the City be planning for?
- Does the City have enough Employment Lands?
 - Are they in the right place?
- Are there some Employment Lands that may be better suited for other uses?

The ELNA for St. Catharines will also inform a Regional Municipal Comprehensive Review (MCR), being undertaken by Niagara Region. The Regional MCR will ultimately result in the allocation of forecast population, housing and employment to 2041 by area municipalities in Niagara, including St. Catharines. It will also identify Employment Areas to be designated in the *Niagara Region Official Plan*, and establish the overall land budget to accommodate growth in Niagara Region to 2041. Phase 3 of the MCR concluded with a land supply inventory for each area municipality and a Strategic Growth Option, including draft allocations of forecast population, housing and employment growth. Starting with the draft allocations for St. Catharines of Regional population and employment growth to 2041, this study examines in detail the land needs for a growing and changing economy that is becoming more integrated with GTAH-centred economic region. The results will inform Phase 4 of the MCR and the final Regional employment growth allocation as well as lead to a land budget for St. Catharines.

The ELNA will help to ensure that as part of this broader Regional MCR process, the priorities and objectives of St. Catharines are recognized and that a balance is maintained between meeting policy direction, addressing market demands and ensuring that the City (and Region), is planning for an appropriate amount and nature of employment and the land supply necessary to support a healthy and sustainable growth outlook over the long-term.

Following this introduction, the ELNA report is organized into the following six sections:

- **Section II** provides an overview of the policy framework for planning for employment and employment lands in St. Catharines and key considerations for the City;
- **Section III** examines recent employment growth and economic change in St. Catharines and Niagara Region;

- **Section IV** provides the employment forecast results and discusses the geography of future employment in St. Catharines;
- **Section V** identifies the City's employment area land supply and estimated densities of development;
- **Section VI** provides the results of the employment land needs assessment and recommendations for *Garden City Plan* policies and land use designations; and
- **Section VII** summarizes study conclusions and next steps for the City in planning for its long-term employment growth outlook and employment area land needs.

II PLANNING FOR EMPLOYMENT AND EMPLOYMENT LANDS IN ST. CATHARINES

The Employment Land Needs Assessment is being undertaken in the context of, and in accordance with, growth management and land use policies adopted by both the Province of Ontario and Niagara Region. The ELNA also provides an opportunity for the City to review its official plan policies to ensure they are consistent with recent provincial and regional policies, respond to current and projected employment trends, and support the City's economic development strategy. Below is a summary of the key provincial and regional policies guiding the ELNA, followed by a review of employment-related policies in the *Garden City Plan* that need to be considered and potentially updated.

A. PROVINCIAL POLICY STATEMENT STATES NEED TO PLAN FOR EMPLOYMENT

The 2014 Provincial Policy Statement (PPS) provides planning direction on matters of provincial interest related to land use planning and development. The Planning Act requires that decisions affecting planning matters be consistent with the PPS.

The policies of the PPS most relevant to employment lands are found in Section 1.0 – Building Strong Healthy Communities, which emphasizes an overarching planning objective to achieve “efficient land use and development patterns [that] support sustainability by promoting strong, liveable, healthy and resilient communities, protecting the environment and public health and safety, and facilitating economic growth.”

Policy 1.3.1 states that planning authorities shall promote economic development and competitiveness by:

- a) *providing for an appropriate mix and range of employment and institutional uses to meet long-term needs;*
- b) *providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses;*
- c) *encouraging compact, mixed-use development that incorporates compatible employment uses to support liveable and resilient communities; and*
- d) *ensuring the necessary infrastructure is provided to support current and projected needs.*

The policies in Section 1.3.2 regarding employment areas require municipalities to plan for, protect and preserve employment areas for current and future uses. Municipalities may permit the conversion of employment lands to non-employment uses through a comprehensive review, but “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.” Employment areas in proximity to major goods movement facilities and corridors are to be protected for employment uses that require those locations. Finally, municipalities may plan beyond 20 years for the long-term protection of employment areas provided lands are not designated beyond the planning horizon.

B. GROWTH PLAN FOR THE GREATER GOLDEN HORSESHOE PROVIDES DIRECTION ON PLANNING FOR EMPLOYMENT

The Province’s 2017 *Growth Plan for the Greater Golden Horseshoe* (*Growth Plan*) was approved under the *Places to Grow Act* (2005) and came into effect on July 1, 2017. The *Growth Plan* provides direction on how anticipated growth in the Greater Golden Horseshoe (GGH) should be managed to 2041. The policies contained within the plan are based on a set of guiding principles, which include:

- Supporting the achievement of complete communities;
- Prioritizing intensification and higher densities to make efficient use of land and infrastructure and to support transit viability; and
- Providing flexibility to capitalize on new economic and employment opportunities.

The *Growth Plan* establishes population and employment forecasts to be used for planning and managing growth. The 2041 employment forecast for Niagara Region is 265,000 jobs, approximately 80,000 more jobs than observed in 2016. The Region, working with lower-tier municipalities, is in the midst of a municipal comprehensive review (MCR) that will identify employment forecasts for the local municipalities to 2041, as well as the quantity of land required to accommodate all forecast growth.

1. Policies Require Planning for Employment and to Direct Employment Growth to Certain Areas

Section 2.2.5 of the *Growth Plan* addresses planning for employment. Policy 1 sets the tone for the policies that follow by stating that economic development and competitiveness in the GGH will be promoted by:

- a) making more efficient use of existing employment areas and vacant and underutilized employment lands and increasing employment densities;
- b) ensuring the availability of sufficient land, in appropriate locations, for a variety of employment to accommodate forecasted employment growth to the horizon of this Plan;
- c) planning to better connect areas with high employment densities to transit; and
- d) integrating and aligning land use planning and economic development goals and strategies to retain and attract investment and employment.

Policy 2 directs appropriate major institutional development and major offices (i.e., freestanding office buildings 4,000 square metres or greater or with 200 jobs) to urban growth centres, major transit station areas, or other strategic growth areas with existing or planned frequent transit service. Policy 7 tacitly recognizes that mixed-use areas generally can attract prestige employment by directing municipalities to integrate employment areas, where appropriate, with adjacent non-employment areas and developing vibrant, mixed-use areas and “innovation hubs”.

In Policy 13, the *Growth Plan* recognizes office parks as a distinct type of employment area that should be planned for intensification of employment uses. It also states that they will be supported by improving connectivity with transit and active transportation networks and by providing amenities and open space.

Policy 5 requires upper- and single-tier municipalities to develop employment strategies, in consultation with lower-tier municipalities. In accordance with this policy, Niagara Region will prepare an employment strategy as part of the current MCR. The ELNA will inform that work by identifying employment areas in St. Catharines, recommending minimum density targets for each of them (in jobs per hectare), and identifying opportunities for intensification in employment areas. In a change from the 2006 *Growth Plan*, upper-tier municipalities are required to designate employment areas in their official plans.

2. Policies Protect and Support Employment Areas by Strictly Limiting the Ability to Convert Employment Areas to Allow for Residential Uses

The 2017 *Growth Plan* generally maintains the intent of its predecessor to protect employment areas by prohibiting potentially incompatible sensitive uses, namely residential (Policy 7), and carrying forward the strict tests for conversions of lands in employment areas (Policies 9-10). Conversions are permitted only through an MCR, and it must be demonstrated that there is a need for the conversion, that the specific lands are not required for employment purposes over the horizon of the plan, and that the municipality will maintain sufficient employment lands to accommodate forecasted employment growth. Additionally, it must be demonstrated that the proposed uses would not adversely affect the overall viability of the employment area

or the achievement of density targets, and that the proposed use can be accommodated by existing or planned infrastructure and public service facilities.

As Policies 9 and 10 reinforce the protection of employment areas, Policy 7, loosens the former restrictions on major retail uses (i.e., big boxes) in employment areas by allowing municipalities, through a municipal comprehensive review, to establish a size or scale threshold for such uses that may be permitted.

The *Growth Plan* acknowledges that employment areas adjacent to or near “major goods movement facilities and corridors”, such as airports, ports, intermodal facilities and major highways, are most appropriate for freight-supportive land uses. Such areas can be designated “prime employment areas” to protect them for such uses. In prime employment areas, only office and retail uses associated with and ancillary to other employment uses would be permitted.

C. NIAGARA REGION OFFICIAL PLAN ALSO PROVIDES POLICIES FOR ECONOMIC DEVELOPMENT AND EMPLOYMENT LANDS PLANNING

The Niagara Regional Official Plan (the ROP), consolidated and updated in 2014, is aligned with the 2006 *Growth Plan* and 2014 Provincial Policy Statement. The current MCR will bring it into conformity with the 2017 *Growth Plan*. Through the MCR, the Region will allocate area municipal population, housing and employment growth forecasts, establish the region-wide land budget and provide direction for managing growth and land supply to 2041, for St. Catharines and other area municipalities in Niagara.

Currently the ROP provides only high-level policy guidance for planning employment lands.

1. Helping to Grow the Economy Through Strategic Economic Objectives

Chapter 2 of the ROP introduces seven strategic economic objectives intended to support new growth and development within the Region while maintaining a high quality of life. The strategic objectives are supported by general principles to support employment growth and employment areas, including the following:

- A choice of housing and employment locations;
- Development and efficient use of lands within the existing urban boundaries;
- Minimization of conflicts between incompatible land uses;
- Attracting new employment through existing or new firms; and
- Relating employment and residential areas to discourage commuting.

Beyond the strategic objectives and general principles, the policies of Chapter 2 focus primarily on the Region's tourism and agriculture sectors.

2. Planning for Employment Lands and Minimizing Conversions Support Economic Objectives

Chapter 3 includes more specific employment policy structured by five categories:

- The Niagara Economic Gateway;
- Rural Employment Lands;
- Employment Lands;
- Commercial Areas; and
- Major Office.

The Employment Lands policies include two that are most relevant to the ELNA. Policy 3.C.1 states that the Region and local municipalities will ensure economic competitiveness by:

- a) Providing an appropriate mix of employment uses, including industrial, commercial and institutional uses to meet long term needs;
- b) Providing opportunities for a diversified economic base, including maintaining a range and choice of suitable sites for employment uses which support a wide range of economic activities and ancillary uses, and take into account the needs of existing and future businesses;
- c) Planning for, protecting and preserving employment areas for current and future use; and
- d) Incorporating employment area conversion policies implementing Chapter 4.E in local official plans...

Policy 4.E.1.1 carries forward the *Growth Plan's* conversion policies, and Policy 4.E.1.2 confirms that major retail uses are considered non-employment and are not permitted on employment lands.

Consistent with the 2017 *Growth Plan's* policy regarding prime employment areas, Policy 3.C.2 states:

- Local municipalities should designate and preserve lands within Urban Areas which 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.

Policy 3.E.1 states that major office and appropriate major institutional uses should be located within the St. Catharines Urban Growth Centre or in other areas with frequent transit service or planned higher order transit service.

Table 4.1 of the ROP establishes the population and employment forecasts for the local municipalities to be used for the purposes of planning and growth management. The 2031 employment forecast for St. Catharines is 62,640 jobs (excluding employees with no fixed place of work).

D. THE GARDEN CITY PLAN PROVIDES MORE DETAILED EMPLOYMENT LAND POLICY AND LAND USE PERMISSIONS

The 2017 consolidation of the City of St. Catharines Official Plan (*The Garden City Plan* or the GCP) was adopted by City Council in 2010 and received formal approval by the Regional Municipality of Niagara in 2012.

1. Growth and Change Managed Through Providing Competitive Sustainable Employment Areas

Section 2.3 of the GCP contains the general policies for managing growth, and Section 2.3.6 addresses employment growth. Policy 2.3.6(ii) directs employment growth primarily to the Urban Growth Centre and designated Employment Lands. The intent with respect to the latter is described in the subsequent policy:

Employment Lands are designated to accommodate a full range and scale of business and industrial employment uses, office, subordinate retail and service commercial, recreation and institutional uses, and major large scale institutional and recreation uses which by virtue of scale, size, function and operation cannot appropriately locate in the Urban Growth Centre or other land use designations. The range and scale of uses permitted within employment lands is further defined in Part D 'Land Use Policies' and in Part E 'District Plans'. To accommodate projected employment growth forecasts, and support long-term sustainable employment opportunities, economic development and competitiveness, this Plan promotes and emphasizes:

- the provision of an adequate, available, suitable, variable and competitive choice of vacant employment lands to attract and accommodate a diverse range of new economic activities;
- reuse, rehabilitation, redevelopment and enhancement of occupied employment lands to accommodate new or expanded economic activity and employment opportunities;
- transit supportive, public realm, design and greening initiatives to provide compatible, efficient, functional, connected, accessible, interactive, environment friendly and sustainable development;
- clustering of like activities to support compatible development and encourage integrated, interactive and connected business and employment opportunities; and
- the provision of necessary infrastructure and utilities, including integrated telecommunications and broadband technology.

2. Land Use Policies Protect the City's Employment Lands

Section 10 contains the GCP's Employment Land use policies. Policy 10.1 states the intent to protect and preserve designated Employment Lands for employment uses. Consistent with the *Growth Plan* and the ROP, Policy 10.2 restricts the conversion of designated Employment Lands for non-employment use; however, in a slight change from the provincial and regional policies, the City's conversion policy applies to all designated Employment Lands, not just those in the defined "employment areas".

The GCP has two designations for Employment Lands: General Employment and Business Commercial Employment. As identified in the GCP's District Plans, both designations apply to areas and sites in all parts of the city, and often both designations can be found side by side or close to one another, adjacent to commercial lands.

3. General Employment Areas Are the Industrial Cores of the Employment Areas

On lands designated General Employment, the following uses are permitted:

- industrial operations, transportation terminals, repair activities, service trades, construction activities, warehouse, storage, car wash;
- knowledge-based research, technology, service, communication, information, management uses; adult oriented uses;
- major large scale recreation uses; and
- small-scale subordinate retail, service commercial, office, indoor recreation, entertainment and institutional uses intended primarily to serve and support the businesses and employees within the immediate employment area (10.3.1(a)).

Generally, the above uses are to be enclosed within buildings. Outside storage and processing areas are regulated through zoning but must be adequately screened (10.3.1(b)). Heavier industrial uses that may be offensive or dangerous may be permitted and are regulated through zoning to ensure appropriate separation from sensitive uses (10.3.1(c)).

Small-scale retail, service commercial, office, indoor recreation and institutional uses (excluding places of worship and elementary or secondary schools) are permitted, provided they are subordinate to the principal employment use(s) and, combined on a property, do not exceed 15% of the total floor area of all buildings (10.3.1(g)).

Through an amendment to the *Garden City Plan*, major office uses (defined as greater than 10,000 square metres or 500 jobs) may be permitted along arterial roads where transit service is available or on sites with high visibility and accessibility from a 400-

series highway, if it can be demonstrated that the use cannot be appropriately located within the Urban Growth Centre (Policy 10.3.1(i)).

4. Business Commercial Employment Areas Allow for a Greater Range of Uses

The Business Commercial Employment designation provides for a range of industrial operations, knowledge-based employment and office uses, alongside subordinate uses. The primary uses generally permitted in General Employment areas are permitted, with the exception of distribution uses, waste transfer and processing stations, recycling, auto wreckers, large scale transportation terminals, and any operation which may be considered offensive or dangerous by nature (Policy 10.3.2(a)). In addition, hotels, convention centres, auto commercial uses, major large-scale institutional uses and offices are permitted.

In Business Commercial Employment areas, the cap on subordinate retail, service commercial, indoor recreation and institutional uses (again, excluding places of worship and schools) is increased to 30% of the total floor area (10.3.2(c)). There is no such restriction on office uses; however, major office will only be permitted through an Official Plan Amendment. Major large-scale institutional uses are only permitted by way of zoning by-law amendment and where it is demonstrated that the use cannot appropriately locate in the Urban Growth Centre or other land use designations.

5. General Employment Land Policies Establish Development Standards

Section 10.4 of the GCP contains general policies applicable to all employment lands. Policy 10.4(c) states that development or redevelopment shall be subject to site plan control and to the following minimum requirements:

- Parking areas in front or flankage yards should be paved and designed with internal and perimeter landscaping;
- Parking spaces for employees and clients are to be clearly delineated;
- Street edges are clearly articulated;
- Lighting should be directed away from adjacent uses;
- Outside storage areas, processing areas, and waste management facilities are to be adequately screened from view; and
- Where feasible, active transportation connections within and between the employment designation and other use areas shall be provided.

In addition, “higher design standards shall be applied to properties located on arterial and collector roads, or where having exposure and visibility to a Provincial 400 series highway; and on properties adjacent to, or across a road, from a residential, commercial or green space designation, a large scale public institutional use, or other sensitive land uses.”

III RECENT GROWTH AND ECONOMIC CHANGE

St. Catharines experienced variable growth over the last 15 years as a result of a shifting economy and the general cycle of economic recession and expansion. The City remains the largest population and employment centre within Niagara Region. Consideration of demographic and economic trends underlying recent growth and change in the amount and nature of employment in St. Catharines is important to understanding and planning for future employment and economic growth in the City. This section provides an overview of growth trends and examines the St. Catharines employment base through the results of the Census and Niagara Region Employment Inventory (NREI). Recent growth is compared with the Regional forecasts for St. Catharines in order to assess the degree to which the City is “on track” with expectations in a broader Niagara context.

A. RESIDENTIAL GROWTH IN ST. CATHARINES HIGHLIGHTS KEY DEMOGRAPHIC CHANGE

Over the last three Census periods since 2001, growth in population and households in St. Catharines has been relatively slow, having grown by 3.1% over the 15 years, compared with the Region of Niagara growing by 9.1% over the same period. The growth pattern suggests key demographic trends that have implications for labour force participation and the City’s future employment growth outlook.

Tables 1 and 2 indicate growth in total population including Census net undercoverage, and households from 2001 to 2016.

Table 1

Historical Total* Population Growth, 2001 – 2016 City of St. Catharines			
Year	Population	Growth	Compound Annual Growth Rate
2001	133,660	-	-
2006	136,570	2,910	0.4%
2011	134,890	(1,680)	-0.2%
2016	136,597	1,707	0.3%

*Includes Census Net Undercoverage.

Table 2

Historical Occupied Household Growth, 2001 2016 City of St. Catharines			
Year	Households	Growth	Compound Annual Growth Rate
2001	53,820	-	-
2006	54,730	910	0.3%
2011	55,420	690	0.3%
2016	56,880	1,460	0.5%

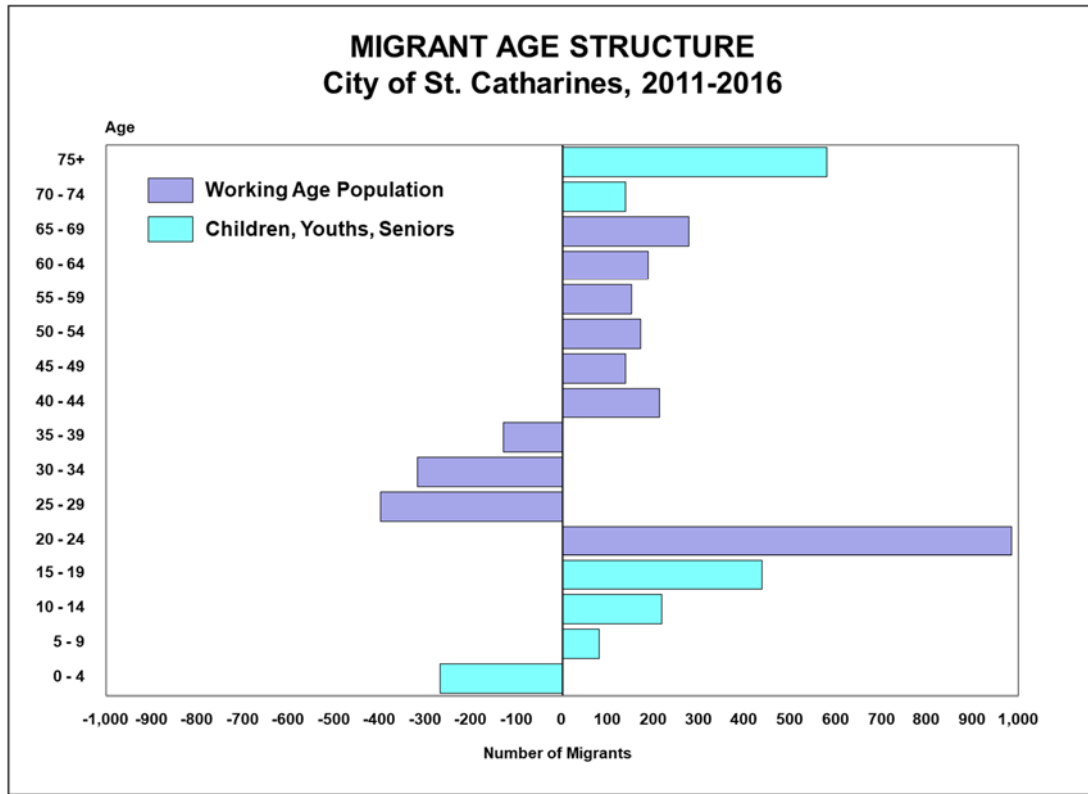
Population in St. Catharines grew between 2001 and 2006, followed by decline in the 2006 to 2011 period, and a return to growth in the more recent Census period. The City continued to add households over all three periods since 2001. Between 2006 and 2011 when the City declined by almost 1,700 residents, growth in households was close to 700; in the latter period between 2011 and 2016, growth of 1,700 residents was coupled with growth of nearly 1,500 households. This pattern, where housing growth outpaces population, and even continues to grow while there is a decline in population, is in part attributed to an aging population and resulting decline in average household size. The aging population trend is occurring in St. Catharines, and Niagara Region as a whole, and is also common throughout Ontario municipalities, particularly outside of the urban centres of the GTAH.

The age-structure of the population is a key consideration in forecasting both residential and employment growth over the long-term. An older population forms more households because they have fewer children and are more likely to be divorced or widowed (where women still typically live longer than their male spouses). The result is a greater proportion of “empty-nester” households and of single-person households. Therefore, housing growth out-paces growth in population. An older population also affects labour force participation and employment growth prospects, with fewer residents in key working aged demographic cohorts.

A key consideration which affects the age-structure of the population (and labour force), is the migration patterns of residents, particularly the age of those moving into, or out of, a municipality. In St. Catharines, and Niagara Region as a whole, the out-migration of younger working aged adults is contributing to the aging of the population and, in turn, has effects on labour force participation. The graphic below illustrates the migrant age structure for St. Catharines over the 2011 to 2016 Census period. As shown, there was net out-migration in the 25 to 39 age cohorts, a key part of the labour force. While there is some in-migration of those over 40, who are also a large part of

the labour force, on balance, there is still a net loss in the prime labour force participation age groups. Much of the in-migration of those 20 to 24 is assumed to be related to post-secondary students and some of the tourism-related job opportunities centred in Niagara Falls and Niagara-on-the-Lake.

Figure 1



The aging population trend is anticipated to continue, and to become more pronounced as time goes on, as shown in the graphics below which illustrate the age-structure of St. Catharines population, in 2001 and 2016 and as forecast to 2041.

Figure 2

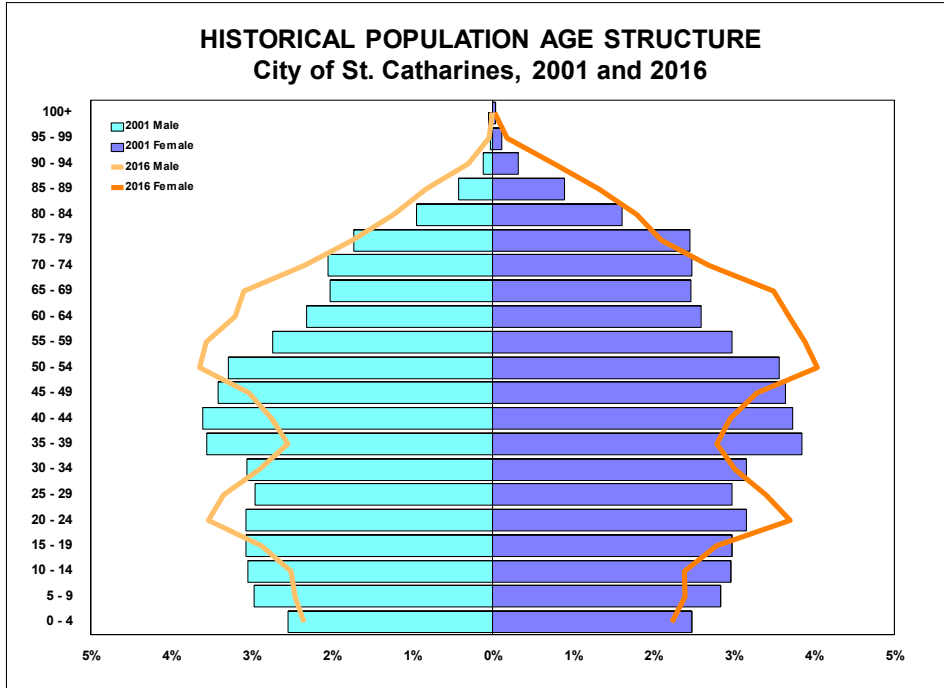
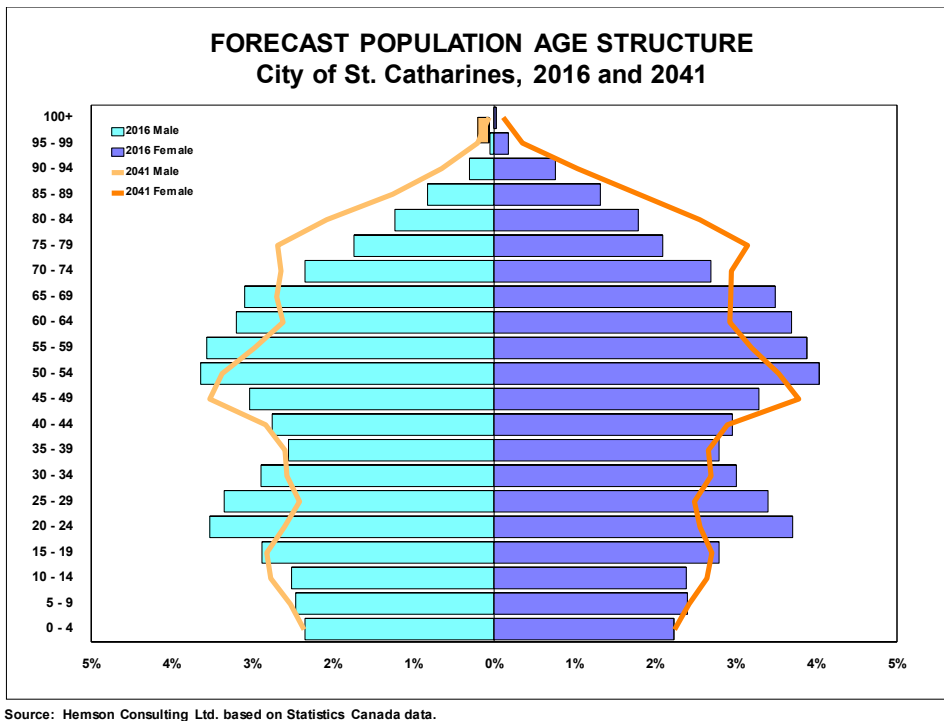


Figure 3



The aging demographic trend has important implications for labour force and is a key consideration when thinking about the economic and employment base of St. Catharines and the amount and types of employment the City should be planning for over the long-term.

B. EMPLOYMENT GROWTH HAS BEEN VARIABLE AMIDST SHIFTING ECONOMIC BASE

St. Catharines experienced a similarly variable pattern in employment growth over the last three Census periods, marked by a shift in the nature of the local employment base and marked growth, decline and growth again, following the periods of economic expansion, recession and recovery over the past 15 years.

As shown in Table 3 below, the City added nearly 3,000 jobs between 2001 and 2006, followed by significant decline during the 2006 to 2011 period, and a return to growth over the most recent Census period to 2016. The decline between 2006 and 2011 was similarly experienced by many Ontario municipalities, particularly throughout Niagara Region, owing to the recession and its significant effect on the manufacturing employment base of Southern and Southwestern Ontario. In St. Catharines, this included the closing of the GM Ontario Street plant in 2008. Results of the 2016 Census were positive, with the City adding about 2,100 jobs, offsetting some of the job loss in the prior period, but not yet returning to the 2001 level of employment.

Table 3

Historical Employment Growth, 2001 – 2016 City of St. Catharines			
Year	Total Employment	Growth	Compound Annual Growth Rate
2001	63,180	-	-
2006	66,080	2,900	0.9%
2011	60,180	(5,900)	-1.9%
2016	62,250	2,070	0.7%

Notwithstanding the employment cycles over the last few Census periods, St. Catharines has continued to account for more than 30% of total employment within Niagara Region since 2001. The City fared well within a regional context over the more recent 2011 to 2016 period, making a significant contribution to overall employment growth of nearly 6,300 jobs in the Region, a very positive result for Niagara relative to the marked decline which occurred during the 2006 to 2011 period.

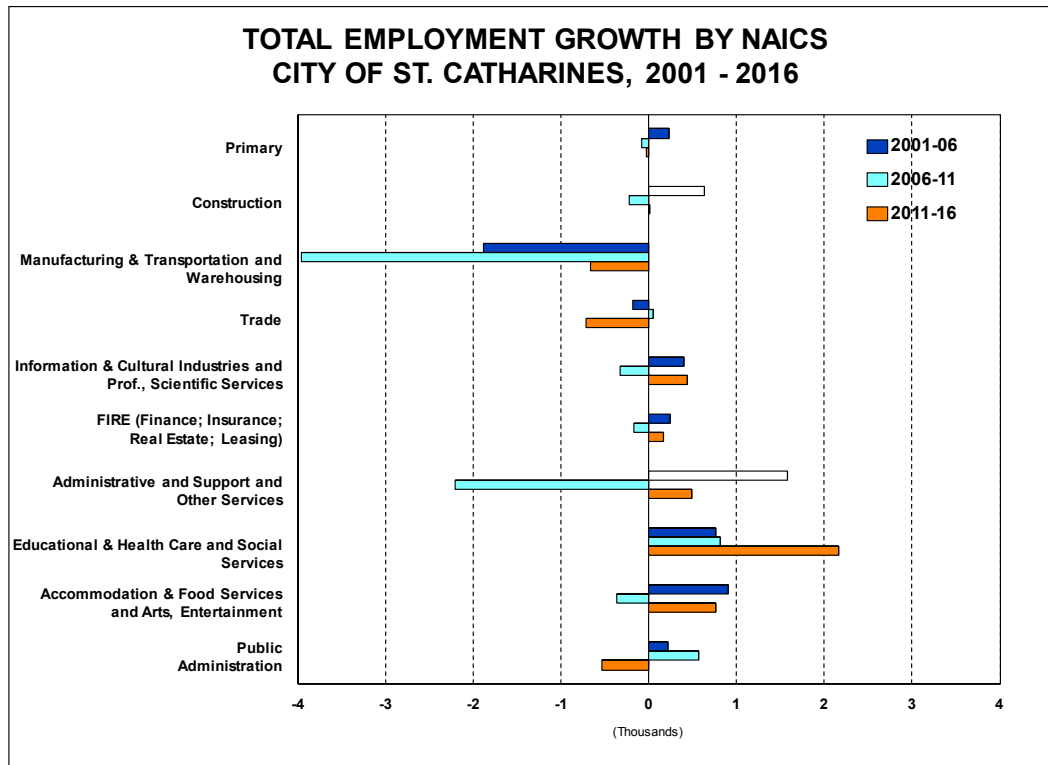
As shown in Table 4 below, while employment in all but two municipalities declined between 2006 and 2011, only two continued to experience loss in total employment over the latter period to 2016.

Table 4

Place of Work Employment, Niagara Region by Area Municipality, 2006-2016					
Municipality	Total Place of Work Employment			Net Change	
	2006	2011	2016	2006-2011	2011-2016
Fort Erie	11,920	11,290	10,390	(630)	(900)
Welland	20,280	22,090	17,790	1,810	(4,300)
Thorold	8,340	7,360	8,460	(980)	1,100
Niagara Falls	42,250	41,030	42,300	(1,220)	1,270
Niagara-on-the-Lake	11,050	10,650	13,090	(400)	2,440
St. Catharines	66,080	60,180	62,250	(5,900)	2,070
Port Colborne	6,810	5,860	6,210	(950)	350
Wainfleet	1,520	1,160	1,420	(360)	260
West Lincoln	3,980	4,280	4,370	300	90
Pelham	4,290	4,090	4,530	(200)	440
Lincoln	10,340	9,740	11,110	(600)	1,370
Grimsby	8,140	7,720	9,800	(420)	2,080
Niagara Region	195,000	185,450	191,720	(9,550)	6,270

Changes in total employment in St. Catharines over the last 15 years has occurred within the context of broader change in the Ontario economy, largely characterized by a continued move away from manufacturing and traditional industries to professional services, education, health care and other population-serving functions. The figure below illustrates change in employment in St. Catharines by North American Industry Classification System (NAICS) sectors over the three Census periods from 2001 to 2016.

Figure 4



Source: Statistics Canada.

The continued decline in the City's manufacturing base has been somewhat offset by growth in sectors such as administrative and support services, education and health care and accommodation, food, arts and entertainment. This shift in the local employment base highlights the significance of population-serving sectors (such as public administration, retail and commercial services), to the St. Catharines economy, reflecting the importance of St. Catharines as a regional-service centre. Among many other large retail facilities, the Region's largest indoor retail centre (Pen Centre) is located in St. Catharines, bolstering the City as a regional retail hub. Likewise, the presence of the Niagara District School Board head office, the courts, the hospital and Brock University in the City, supports notions of St. Catharines as a regional administrative and service centre, resulting in both significant population-related jobs and the services that they provide.

C. NIAGARA REGION EMPLOYMENT INVENTORY (NREI)

There are two key sources which count and report on employment in Niagara Region – the Census and the Niagara Region Employment Inventory (NREI), a survey carried out by the Region of employers within Niagara. Results of the 2017 survey were compared with the results of the Census. There are some variations in how and what

jobs are counted between the two sources, resulting in some differences in the totals of some categories, however the survey generally confirms the overall picture of employment in the City. Table 5 compares the results for St. Catharines from the Census and the NREI. It is noted that for the purposes of comparison, work at home and no fixed place of work has been excluded from the Census count, since they are not counted in the NREI survey.

Table 5

Comparison: Niagara Region Employment Survey and Census Results* City of St. Catharines			
USUAL PLACE OF WORK EMPLOYMENT BY NAICS	2016 Census Results	2017 Niagara Region Employment Inventory Results	Difference
Total - Industry - North American Industry Classification System (NAICS) 2012	51,270	53,444	2,174
11 Agriculture, forestry, fishing and hunting	625	407	(218)
21 Mining, quarrying, and oil and gas extraction	20	2	(18)
22 Utilities	120	17	(103)
23 Construction	1,380	2,039	659
31-33 Manufacturing	4,500	4,675	175
41 Wholesale trade	1,245	879	(366)
44-45 Retail trade	8,455	8,253	(202)
48-49 Transportation and warehousing	1,645	998	(647)
51 Information and cultural industries	725	550	(175)
52 Finance and insurance	2,215	1,603	(612)
53 Real estate and rental and leasing	820	987	167
54 Professional, scientific and technical services	2,565	2,088	(477)
55 Management of companies and enterprises	50	45	(5)
56 Administrative and support, waste management and remediation	2,375	1,587	(788)
61 Educational services	5,360	12,691	7,331
62 Health care and social assistance	8,335	7,818	(517)
71 Arts, entertainment and recreation	570	688	118
72 Accommodation and food services	4,760	4,405	(355)
81 Other services (except public administration)	2,550	1,916	(634)
91 Public administration	2,955	1,796	(1,159)

*Note: This table does not include Work at Home or No Fixed Place of Work Employment.

The NREI provides a valuable resource to ground-truth the Census, helping to further understand the nature and location of employment within the Region and City of St. Catharines.

D. LAND USE BASED EMPLOYMENT CATEGORIES

For the purposes of analysing and forecasting employment by type and associated land needs, jobs by sector are divided into four land-used based categories based on the type of location they typically occupy:

- Population-related employment, which occurs in response to a resident population, is primarily in commercial and institutional establishments, and includes retail and commercial services, health care and most public administration as well as those who work at home. In a central city, such as St. Catharines, some of these services are being provided for a much larger population beyond its boundaries. This “regional” population-related employment would be represented by a portion of the medical, post-secondary,

professional services and higher-order retail jobs that are serving residents outside St. Catharines;

- Major office employment, which is defined as employment in free-standing office buildings of 20,000 sq. ft. (1,860 m²) or greater¹;
- Employment Land Employment which consists of employment in industrial-type buildings primarily located in Employment Areas, such as manufacturing, warehousing and transportation as well as the broader range of commercial and business services that occupy this type of space; and
- Other Rural-based employment, including resource-based and agricultural employment in more rural areas.

Change in employment by land-use based categories, for St. Catharines and Niagara Region as a whole are shown in the tables below.

Table 6

Historical Place of Work Employment City of St. Catharines, 2001 - 2016					
Year	Number of Jobs by Employment Type				
	Major Office	Population Related	Employment Land	Other Rural Based	Total
2001	8,340	24,590	28,810	1,440	63,180
2006	8,740	26,390	29,340	1,600	66,070
2011	8,560	26,320	23,980	1,310	60,170
2016	8,950	27,980	24,030	1,280	62,240
2001-2006	400	1,800	530	160	2,890
2006-2011	-180	-70	-5,360	-290	-5,900
2011-2016	390	1,660	50	-30	2,070

Table 7

Historical Place of Work Employment Niagara Region, 2001 - 2016					
Year	Number of Jobs by Employment Type				
	Major Office	Population Related	Employment Land	Other Rural Based	Total
2001	8,340	83,980	80,430	10,160	182,910
2006	8,740	94,360	81,620	10,270	194,990
2011	8,560	94,960	73,210	8,730	185,460
2016	8,950	99,530	73,960	9,270	191,710
2001-2006	400	10,380	1,190	110	12,080
2006-2011	-180	600	-8,410	-1,540	-9,530
2011-2016	390	4,570	750	540	6,250

In the next section, we examine recent growth in the context of the Regional forecasts for the City and present the updated employment forecasts for St. Catharines.

¹ The term Major Office used as an employment category is as defined here. The term is also used for a different purpose in planning policy in the Growth Plan and the Garden City Plan

IV EMPLOYMENT FORECAST

An employment forecast has been prepared for the City as a basis for assessing employment area land need as well as to provide input to Phase 4 of the Niagara Region MCR and the final Regional growth allocations. The growth outlook that was the basis for the Regional MCR Strategic Growth Option has also been updated, taking into account results of the 2016 Census, the Niagara Region Employment Inventory, and annual demographic and labour force statistics.

A. 2016 CENSUS RESULTS SIMILAR TO THE ESTIMATED 2016 EMPLOYMENT USED IN THE NIAGARA MCR ALLOCATION WORK

The third phase of the Niagara Region MCR concluded with a draft Strategic Growth Option which allocated population, housing and employment growth to area municipalities within Niagara, including St. Catharines. The forecasts included an estimate of the 2016 employment prepared prior to the Census data being available. Since 2016 is now the starting point for current forecasts, it is worth checking those estimates against the actual results that are now available.

Table 8 compares the MCR forecast allocations for St. Catharines at 2016 with the results of the 2016 Census.

Table 8

2016 Forecast and Census Results Comparison City of St. Catharines			
	MCR Forecast	Census Result	Difference
Census Population	130,360	133,110	2,750
Occupied Households	56,520	56,880	360
Total Place of Work Employment	62,660	62,250	(410)

Residential growth was somewhat ahead of expectations, particularly in population, while total place of work employment was just marginally short of the forecast expectation. This is notable considering that the Region, while still having growth in employment, had about 11,000 fewer jobs at 2016 than had been estimated in the MCR forecasts. Almost all of this shortfall at the Regional level (9,000 jobs) was in the employment land employment category, comprised primarily of industries such as manufacturing, warehousing and transportation, and those commercial and service employment uses which typically occupy industrial-type buildings in employment

areas. This indicates a somewhat more rapid shift in overall employment towards population-related employment than had been anticipated. Looking ahead, throughout Niagara Region, this shift away from manufacturing to services and other population-related sectors will likely lead to a reduced share in employment land employment relative to past trends and as might be suggested by the Regional MCR Phase 3 forecasts.

Overall, St. Catharines was very close in total employment between the 2016 estimates used in the MCR allocations and the Census results and appears to be generally on track to meet its residential and employment forecasts to 2041 up to this point.

B. REGIONAL FORECAST AND ALLOCATION TO ST. CATHARINES BASED ON MUCH HIGHER GROWTH OUTLOOK OVER THE NEXT 25 YEARS

The growth allocations in the Niagara MCR were prepared in the context of Schedule 3 of the *Growth Plan*, which the Region must use as a basis for planning for growth and land needs to 2041. The Schedule 3 forecasts are for 610,000 residents and employment of 265,000 jobs region-wide at 2041. This represents a rate of growth that is more than double that experienced by the Region over the last 25 years. Within this Regional growth outlook, the City of St. Catharines was allocated a population total of 167,500 residents at 2041, and 80,200 jobs, representing growth of 33,700 residents and 17,600 jobs from 2016 to 2041. This compares to growth of about 5,000 persons and no net growth in employment in the City over the prior 25 year period.

The future growth expectations in both the Region and St. Catharines are a significant break from the past in part because the past quarter-century represented a period of often-painful economic adjustment through both the mid-1990s recession (when the City lost 11% of its jobs over 5 years) and the 2008-2009 recession. Looking forward, the continued economic shifts are expected to be less dramatic and, most importantly, Niagara and St. Catharines are increasingly part of the economic and population growth sphere centred on the rapidly-growing GTAH. The expectations for Niagara and St. Catharines are broadly similar to the experience of nearby Hamilton and Brantford, both of which had long periods of economic restructuring and slow growth in the 1980s and 1990s that have given way to a more recent period of population and employment growth, based on increasing integration into the GTAH-centred economy.

While the focus here is on employment, it is important to note that the faster population growth expected in the future in St. Catharines is both the result of generally higher growth in the Region, but also a moderately higher share of total Regional growth. The higher share arises from the policy-based expectation that more new housing growth in the future will be accommodated through infill and intensification within the built-up area of the Region and St. Catharines, including Downtown St. Catharines. This shift in the where and how growth is accommodated is also a significant change from the past. While there is considerable potential across the Region for single family housing development on greenfield lands, a number of factors are anticipated to coalesce in supporting intensification within St. Catharines, including:

- convergence of *Growth Plan* policy and Regional urban structure policy to reinforce the vision for the urban growth centre and transit-supportive development;
- infrastructure investment in keeping with the vision and policy direction, such as the extension of GO rail service; and
- market preferences, as greenfield opportunities are presented in the urban centres of the Region.

The population growth is important to the employment outlook, since that population growth represents much of the growth in the Regional labour force. Additionally, about one-third of new jobs in St. Catharines would be required to support the population growth through retail, services, education and health care.

C. ST. CATHARINES ANTICIPATED TO ADD 18,000 JOBS OVER A 2016 TO 2041 PLANNING HORIZON.

Employment in St. Catharines is forecast to grow by 18,000 jobs over the next 25 years. This forecast has been prepared within the context of the Regional MCR, reflecting more recent trends since the Region released its Strategic Growth Option, and is guided by the policy framework of the *Growth Plan* and the vision of *Niagara 2041*. As discussed above, broad economic trends and insight into the continued integration with the broader GTAH economy help to understand where and how this growth may be accommodated within the City, including the demand for employment lands, which is the primary focus of this report.

The employment forecast is divided into the four land-use based categories described earlier, which provide a basis for assessing land need:

- Population related employment, which occurs throughout urban designations;
- Rural-based employment which occurs in the rural agricultural areas;
- Major office, which occurs in free-standing office buildings in the UGC (Downtown St. Catharines) and some employment areas; and
- Employment land employment, which generates the bulk of demand for employment area lands and is the primary focus of the ELNA.

The shares of future employment growth by employment category are estimated based on a range of factors, including:

- historic and recent trends in employment, including the breakdown of employment growth by NAICS re-stated to land use-based category;
- the current distribution of jobs by type, based on Census and Regional employment tracking information;
- anticipated shifts in demographic and economic patterns including the prospects for mixed use development; and
- the land supply available to accommodate employment land employment growth into the future.

Taking into account the above factors, the forecast shares of employment by land use type are estimated as:

- a ratio to forecast population growth and taking into account the City's role as a regional-service centre, for population-related employment;
- nearly all of the Niagara Region forecast for major office employment;
- a minimal amount of rural area employment growth; and
- a moderated share of Regional employment land employment growth relative to the past, based on the City's evolving role as an urban service centre and limited land supply available to accommodate industrial employment land uses.

Because it is critical to the current ELNA work, the approach to the forecast of the employment land employment needs to be clearly understood. The number that can be forecast falls within a range. With changes in employment in existing developed areas aside, the low end of the range would essentially be no change over time, consistent with patterns over the past number of years. That is, based on the observed market, there has been little recent new employment land development in St. Catharines. The market, however, is anticipated to rise over the forecast period in accordance with the general growth outlook for St. Catharines and Niagara, already described.

At the high end of the range, the employment land employment growth could reflect the full build out of the land supply (after accounting for long-term vacancy). This is also not likely to occur since some of the available sites may not be in a condition or of a specific size to meet the potential users that would appear over the forecast period. As a result, the forecast, for employment land employment growth should lie between the two. As detailed later in this section, the employment land employment growth is based on demand for most but not all of the available land supply in St. Catharines, consistent with the starting premise of the forecast being a renewed period of moderate growth in St. Catharines and Niagara.

The forecast for employment land employment represents about 18% of the growth over the period, which is much less than the 38% of total existing employment in the employment lands category.

The shares by employment type and forecast results are shown below.

Table 9

Forecast Employment Growth by Type, City of St. Catharines, 2016-2041					
	Population-Related	Major Office	Employment Land Employment	Other Rural Based	Total Employment
2016	27,980	8,950	24,030	1,280	62,250
2041	38,290	13,340	27,290	1,320	80,250
2016 - 2041	10,310	4,390	3,260	40	18,000
Share of Total Employment Growth	57.3%	24.4%	18.1%	0.2%	100.0%

- Most of the City's forecast employment growth (nearly 60%), is expected to be in the population-related category, reflecting the most current understanding of the St. Catharines and broader Niagara economy, economic and demographic trends and the City's role as a regional service centre.
- Also reflecting the City's role within the Region, including the presence of the only designated Urban Growth Centre, major office employment is expected to represent about 25% of future employment growth, with the City forecast to add nearly 4,400 major office jobs to 2041. While most of this is anticipated to occur in the City's UCG, some will also occur on employment lands, although the effect on land need will be marginal given the very high density of office uses.
- Employment land employment, which generates the bulk of demand for Employment Area lands, is anticipated to grow by nearly 3,300 jobs, accounting for nearly 20% of St. Catharines' employment growth to 2041. It is

assumed that about 5% of this growth will occur on currently occupied employment lands, through intensification on existing parcels or redevelopment to higher density employment uses.

- Finally, a very marginal amount of growth is expected in the City's rural area.

D. GEOGRAPHY OF FUTURE EMPLOYMENT GROWTH

St. Catharines has evolved as an urban centre within Niagara Region and so has its employment and economic base. Over the last decade in particular, traditional manufacturing jobs have declined as part of a broader shift in the economy to being largely service-based. At the same time, the City's land supply has been largely built out, meaning much of the City's future growth will be accommodated within the existing urban fabric. Given that most of the employment growth will be of population-related and office uses, much of this will be accommodated in mixed-use and commercial designations, for which the City has ample supply.

The City still needs to plan for more than 3,000 additional employment land employment jobs, all located in Employment Areas. While a marginal amount of employment land employment does occur outside of designated employment areas (in rural agricultural area and in scattered locations in other urban designations), none of the growth is anticipated in these areas.

It is necessary to maintain an adequate supply of Employment Area lands in order to meet the City's forecasts as well as to provide for a range of employers and employment uses to 2041 and over the longer-term. Available employment designated lands are key to indicating market-readiness to employers which may choose to locate elsewhere in the absence of a suitable location in St. Catharines. Notwithstanding limited uptake of employment lands in recent years in the City and limited growth in industrial-type employment, failing to provide for future employment lands growth will necessarily limit any future prospect of attracting a full range of employers. The importance of this is heightened given the City's firm urban boundaries and limited opportunity to expand the urban area land supply to add employment lands in the future.

V ST. CATHARINES EMPLOYMENT AREAS

Next, we consider the employment land supply available to accommodate future job growth in St. Catharines. An updated employment land supply inventory was prepared for the City to identify the vacant employment lands available to accommodate future employment growth. As input to the Niagara Region MCR, a result of which will be mapping of Regional Employment Areas, consideration was also given to what employment lands in St. Catharines meet the definition of Employment Area, and should be protected for employment uses over the long-term. Existing densities of development on occupied employment area lands were also reviewed based on the Niagara Region Employment Inventory (NREI) in order to determine an appropriate density estimate with which to assess the sufficiency of the City's remaining vacant employment land supply to accommodate the employment growth outlook.

A. EMPLOYMENT LAND SUPPLY INVENTORY

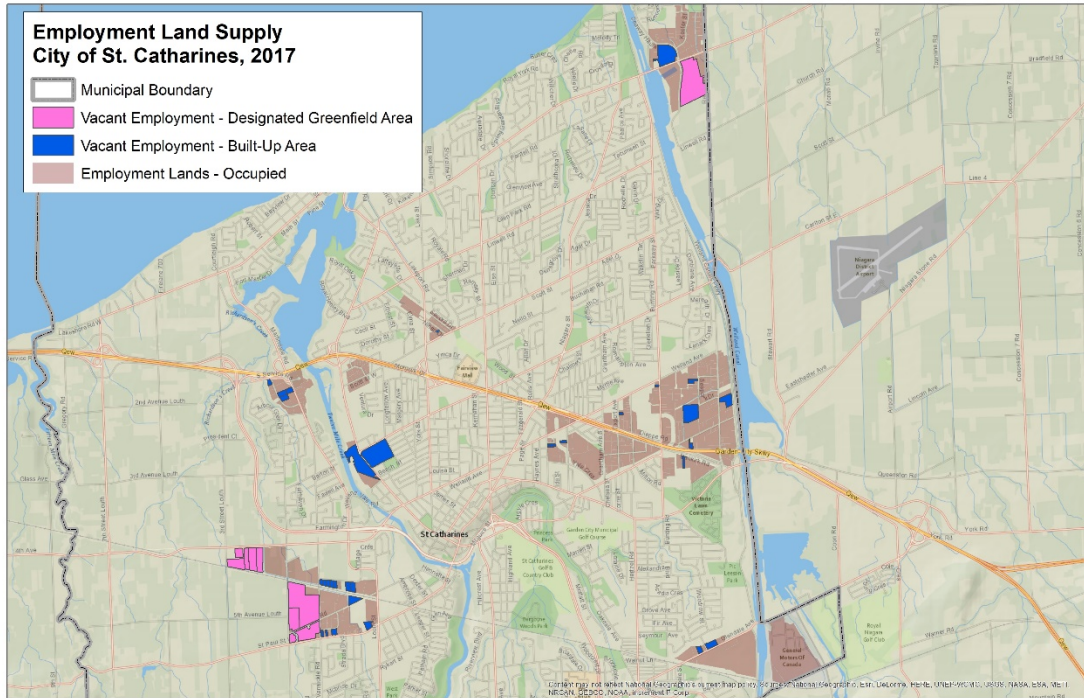
As part of the Regional MCR, an employment land supply inventory was prepared for each area municipality in Niagara. A review and update to the City of St. Catharines employment land supply inventory was undertaken as a basis for assessing any changes which have occurred in the employment land base since the Regional MCR land supply information was prepared. The results indicate the City has a total of 111 ha of vacant designated employment lands, roughly 13 ha less than was identified in the Regional MCR land supply work. It is also noted that, Transport Canada has announced plans to divest 60 ha of lands along the length of the Welland Canal. While not part of the current employment land supply, the Region and local municipalities will need to assess the future potential of these lands at such time that the lands are divested and consideration if given to whether some of these lands may become part of the urban land supply.

Table 10

Employment Land Supply Comparison (ha) City of St. Catharines			
	2016 Vacant Employment Lands (Niagara Region MCR)	2017 Vacant Employment Lands (St.Catharines ELNA)	Difference
Built-Up Area	58	48	(10)
Designated Greenfield Area	65	62	(3)
Total	123	111	(13)

The map below illustrates the location of vacant employment lands throughout the City's built up area and on greenfields.

Map 2: Vacant and Occupied Employment Lands, City of St. Catharines



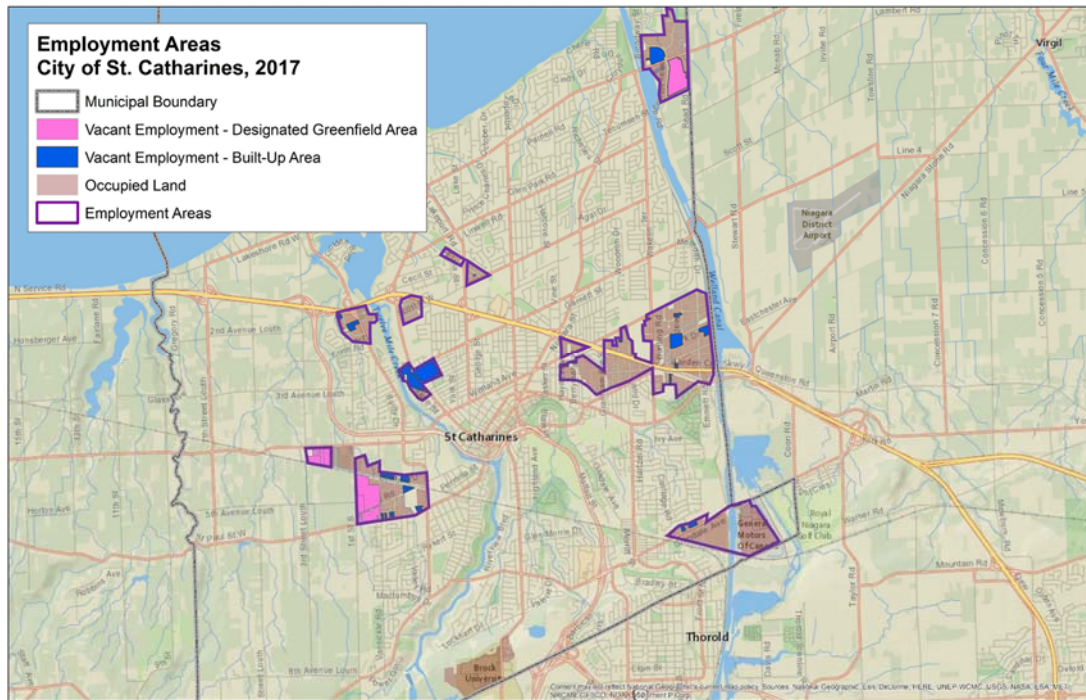
B. DEFINING ST. CATHARINES EMPLOYMENT AREAS

As part of conformity with the *Growth Plan*, 2017, the Niagara Region will be including Employment Area mapping in the *Regional Official Plan*. The St. Catharines ELNA will inform this by establishing which locally designated employment lands meet the definition of Employment Area as set out in the *Growth Plan*, 2017. These are the lands that should be protected for employment use over the long-term. The *Growth Plan* defines Employment Areas as,

Areas 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.

For the City of St. Catharines, this would include most lands designated as employment in *The Garden City Plan*, with the exceptions of the Brock University and the Niagara Health System sites, which are large institutional uses, not appropriately included as part of the employment area. The map below illustrates those employment lands that would qualify for designation in the Regional Official Plan.

Map 3: City of St. Catharines Employment Areas



C. ESTIMATED EMPLOYMENT DENSITIES

A review of the City's occupied employment lands was undertaken based on the NREI, which enumerates the number of employees at employment establishments. This provides a basis for evaluating existing job densities and is a key input to determining an appropriate density target for Employment Area lands in St. Catharines. For the purposes of establishing an Employment Area density target, institutional and major office uses were excluded from the analysis as they are typically much higher density than traditional employment land employment uses, which are the primary focus.

Tables 11a,b and c below illustrates the range of employment densities on a sample of currently occupied parcels from the NREI, including all reported employment area jobs, and excluding major institutions and major offices uses, as these are typically very high density and do not reflect the normal density on employment area lands.

Table 11a

Estimated Employment Density on Employment Lands, City of St. Catharines, 2017			
Including All Reported Jobs* in Employment Areas			
Employment Area	Number of Jobs	Land Area (ha)	Estimated Density (jobs/ha)**
1	584	25	23
2	4,977	124	40
3	2,733	18	151
4	869	8	111
5	330	5	73
6	80	3	25
7	4,030	42	97
8	1,985	82	24
9	6,493	62	105
Total	22,081	368	60

*Employment density is calculated from the 2017 Niagara Employment Inventory provided by the Region of Niagara.

It includes all businesses in all sectors, however only those that reported an actual employment figure are used in the calculation.

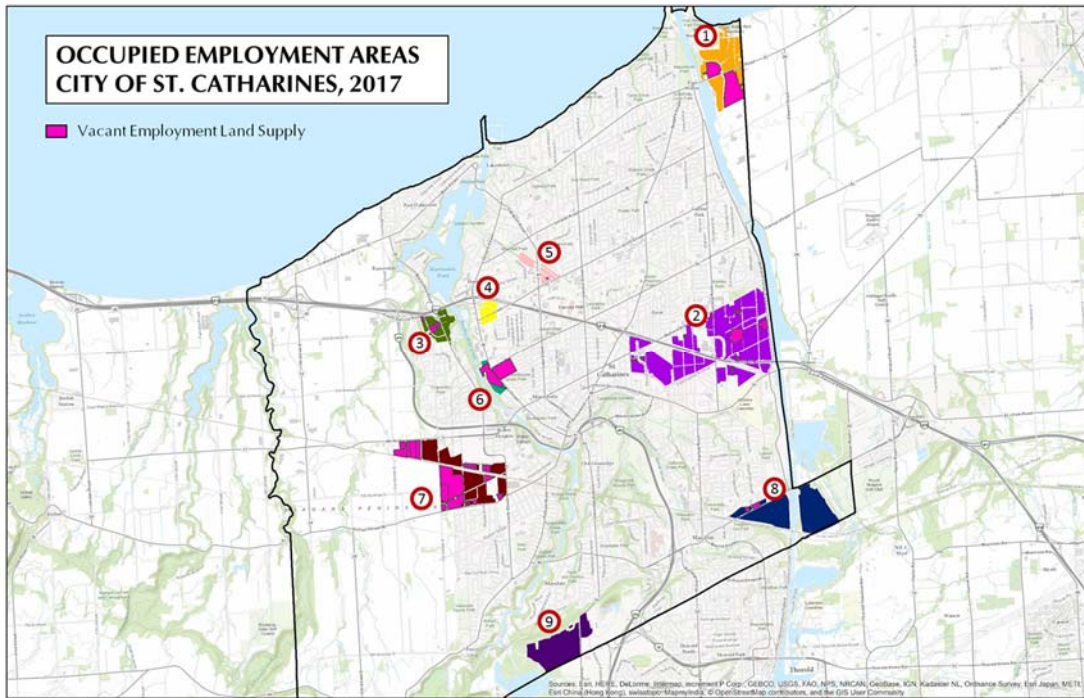
Table 11b

*Excluding Major Institutions			
Employment Area	Number of Jobs	Land Area (ha)	Estimated Density (jobs/ha)**
1	584	25	23
2	4,977	124	40
3	2,733	18	151
4	869	8	111
5	330	5	73
6	80	3	25
7	1,464	29	50
8	1,985	82	24
9	528	7	70
Total	13,550	301	45

*Block University in Area 9 and St. Catharines hospital and ancillary lands in Area 7.

Table 11c

Excluding Major Office			
Employment Area	Number of Jobs	Land Area (ha)	Estimated Density (jobs/ha)**
1	584	25	23
2	4,850	122	40
3	2,093	14	154
4	454	7	61
5	330	5	73
6	80	3	25
7	1,464	29	50
8	1,985	82	24
9	528	7	70
Total	12,368	295	42

Map 4: Occupied Employment Areas for Density Analysis

Based on the density analysis, an average employment density of 40 jobs per ha was determined as an appropriate basis for estimating land need for new development on Employment Area lands. This is somewhat higher than Regional density estimates (20-25 jobs per ha), however, is moderately lower than the existing density of development in St. Catharines. The estimate reflects on-the-ground densities of employment and considers that new development, particularly for employment uses, tends to be somewhat lower than historic, particularly for traditional industrial uses, such as manufacturing. This is a trend observed throughout Niagara, and across Ontario for that matter, owing to factors such as increased automation.

VI RESULTS: LAND NEED, CONVERSIONS AND POLICY UPDATES

This section assesses the adequacy of the supply of employment lands to accommodate employment growth to 2041 and provides recommendations for land use and policy for consideration by City planning staff.

A. SUPPLY SUFFICIENT TO MEET DEMAND FOR EMPLOYMENT LAND

The evaluation of employment area land need in St. Catharines is prepared within the context of the Land Needs Assessment Methodology for the Greater Golden Horseshoe (LNA), released by the Province on May 4th, 2018, to support implementation of the *Growth Plan*, 2017. The LNA is to be undertaken by the upper-tier municipality in order to determine the quantum of land need within each lower-tier municipality and across the upper-tier for both residential and employment uses. The ELNA for St. Catharines will provide a key input to the Regional land needs assessment that will be undertaken by Niagara Region.

Employment Area land need is based on the employment land employment growth outlook.

- Employment land employment growth is forecast at 3,260 jobs on employment lands to 2041.
- An assumption is made for 5% of that employment to occur on currently occupied employment lands through intensification of existing parcels, leaving 3,100 jobs for new development.
- The result is a new employment area land need of 77 ha to 2041, based on 3,100 jobs at 40 jobs per net ha.
- The analysis takes into account:
 - existing employment on occupied employment lands;
 - the estimated density target;
 - the City's vacant employment land supply; and
 - a minor adjustment for long-term vacancy².

² The long-term vacancy rate of 3% is included to account for parcels that are not developed due to access, configuration, site remediation needs or some other reason, perhaps only known to

Based on the above, the analysis has identified a potential surplus of employment land of 18 ha at a 2041 planning horizon, as shown in Table 14.

Table 12

Employment Area Land Need to 2041, City of St. Catharines	
Employment Land Job Growth (2016-2041)	3,260
Share to Occupied Employment Lands (5%)	163
Job Growth on Vacant Employment Land	3,097
Density of Development (jobs/ha)	40
New Employment Area Land Needed to Meet Forecast (ha)	77
Occupied Employment Land, 2018 (ha)	442
Total Occupied Employment Area Land, 2041 (ha)	519
Adjusted for Long-term Vacancy (3%)	16
Total Employment Area Land Need (2041)	535
Vacant employment area land need (ha)	93
Current Vacant Employment Area Land (ha)	111
Additional Employment Area Land Need at 2041	(18)

B. RECOMMENDATIONS FOR CHANGES TO LAND USE DESIGNATIONS

Based on the employment by type forecasted for the City, the ELNA has identified a potential surplus of an estimated 18 ha of vacant employment land available to accommodate the employment growth outlook for St. Catharines to 2041. This means that the City could potentially consider changes to land use designation for a moderate amount of employment lands. The City must conduct further analysis to demonstrate that there is a need for a conversion through its next official plan review.

When considering conversion of employment lands, it is recommended that the City take a strategic approach, protecting those employment lands that are likely to develop exclusively for employment uses within the forecast horizon, and prioritizing those

the owner; rather than providing for a vacant supply to allow for competition and site choice in the market or to provide for further development lands beyond 2041. This latter type of vacancy would be represented by any surplus lands shown at the bottom of Table 12 and after any conversions of those surplus lands occurs.

which may be less attractive and more challenging to develop for future employment uses only.

Future demand for employment land employment will likely continue to be focused on greenfield settings and those should be protected. The pressure to convert greenfield lands from employment to other urban designations in St. Catharines, and throughout Niagara and Ontario, is strong, given the typically higher value of commercial or residential uses, relative to industrial. This is why Provincial policy works to protect employment lands. It is not recommended that the City consider any conversion of its remaining vacant greenfield employment lands, given the limited surplus identified and the inability of the City to expand its employment land supply should it need additional urban lands in the future. It is important that the City maintain an employment land supply suitable to meet the needs of a range of employers and employment uses over the long-term, in order to ensure that opportunities are available for development and that the City's employment growth outlook will be met.

C. RECOMMENDED UPDATES TO GARDEN CITY PLAN POLICIES

Based on the review of current provincial, regional and local land use policies in Chapter II, in the context of St. Catharines' geography of employment lands and its downtown, the City does not need to make major changes to its employment land policies to maintain conformity with the higher level plans and support diverse employment growth in appropriate locations. The review, however, does raise a number of issues suggesting some revisions to the *Garden City Plan* are needed in response to the provincial *Growth Plan*. The recommendations below highlight and address these issues, each providing a rationale for policy amendments. They also go further in suggesting an eventual overhaul to the City's employment land designations and the respective policies to acknowledge existing conditions and more clearly establish a hierarchy of employment areas.

- 1. The City should align its definition of "major office" with that of the *Growth Plan* and at the same time revise its major office policies to ensure such development is not overly constrained**

The *Growth Plan*'s threshold for major office has been reduced to 4,000 m² or 200 jobs, whereas the City's, like the Region's, reflects the 2006 *Growth Plan* threshold of 10,000 m² or 500 jobs, a significant difference. For consistency, the City's definition should align with the Province. In making this change, however, the Official Plan's Section 10.3 policies that do not permit major office uses on employment lands, except through an official plan amendment, should also be amended to not permit major

office of 10,000 m² or greater. Without this concurrent change, all but the smallest new office developments will be restricted to downtown.

Although it is desirable to concentrate as much office development downtown as possible, the City needs to maintain some flexibility regarding appropriate locations for major office to avoid turning away a prospective office employer. This is not contrary to the *Growth Plan*, since, in addition to directing major office to urban growth centres and other strategic growth areas well served by transit, it also promotes the intensification of employment lands, including office parks, which generally will only occur through office development. In light of the *Growth Plan*'s office park policies, it is further recommended that the Official Plan be amended to permit, without an OPA, major office developments up to 10,000 m² in St. Catharines' only office-dominated business park, straddling Martindale Road at the QEW.

2. During its next Official Plan review, if enabled by the Regional OP, the City should carefully consider strategic opportunities to permit major retail on low-performing employment lands

With the loosening of restrictions on major retail in employment areas in the *Growth Plan*, subject to the Region following suit through its MCR, the City should consider strategic opportunities on developed employment lands to permit major regional-serving retail, recognizing that such uses can be compatible with employment uses and can help to revitalize declining industrial areas. However, policy changes to permit such uses should be site-specific and should meet the following criteria, in addition to satisfying the City's conversion policy:

- The previously developed lands in questions have been vacated or are otherwise heavily underutilized and have an extremely low employment density;
- The lands have immediate proximity to the QEW or Highway 406 for high visibility and easy access;
- There are no designated vacant commercial lands within the city with similar locational characteristics that can accommodate the threshold of retail proposed;
- The employment density of the major retail to be permitted will exceed the current density of the lands;
- Major retail uses will not have a significant adverse impact on adjacent or nearby employment uses, and will contribute positively to any residential neighbourhoods in the immediate vicinity; and
- A market analysis has demonstrated that there is a need in the city for more major retail at the proposed threshold.

3. The City should reconsider its current employment land designations with an eye to establishing a clearer hierarchy of business park types that recognizes the existing pattern of land uses as well as opportunities for employment growth

The *Garden City Plan*'s two designations for employment lands—General Employment and Business Commercial Employment—are similar in that both permit a broad range of industrial and subordinate commercial uses. The major distinctions are that heavy and noxious industrial uses are permitted in General Employment areas, and other industrial uses that are unsightly or may generate significant truck traffic (e.g., transportation terminals, distribution uses and auto wreckers) are explicitly not permitted in Business Commercial Areas. In addition, small-scale retail, service commercial, office, indoor recreation and institutional uses are restricted to 15% of a property's total floor area in the former designation, and the restriction for the same uses, except office, is 30% in the latter. There are also differences in the percentage of total floor area for the display and/or sale of retail goods produced on the premises.

The City's Zoning By-law, which mirrors the OP policies respecting employment lands, further clarifies that General Employment areas are intended for uses with footprints requiring more than 0.4 ha of land.

When one looks at the City's pattern of existing uses across its employment lands, the distinctions between the two designations, in terms of their appearance and impacts, are less evident, and in some areas where both designations are side by side, not evident at all. The exception to this is where the city's heaviest industrial uses are located.

The recommendation is to consider, at the time of the City's next Official Plan review, policy amendments that would eliminate some of the overlap between the two employment land designations to provide clearer direction regarding the most appropriate uses in each employment area. The goal would be to reinforce and apply the General Employment designation in areas of predominantly industrial and other, complementary uses, and refine the Business Commercial Employment designation to focus it on areas intended for a mix of office, industrial and other, complementary uses.

The following are key amendments to the General Employment policies to consider:

- Generally maintain the uses currently permitted, but replace “knowledge based research, technology, service, communication, information, management uses” with the less ambiguous list of “facilities for scientific and engineering research and development, including but not limited to laboratories, pilot plants and prototype production facilities; broadcasting facility; data storage and processing facilities.” This amendment should be made for clarity, regardless of any other policy changes.
- Increase the percentage of total floor area that may be occupied by small-scale retail, service commercial, office, indoor recreation and institutional uses from 15% to 30%. The latter percentage is currently permitted in industrial areas

designated Business Commercial Employment, and the difference is not significant.

- Increase the percentage of total floor area that may be used for retail displays or sales from 15% to 30%, which is close to the percentage of an industrial use permitted in Business Commercial Employment areas.

The following are key amendments to the Business Commercial Employment policies to consider:

- Require all uses to be wholly enclosed within a building, and do not permit outside storage for industrial uses, or limit the percentage of outside storage and require it to be located in a rear yard.
- Also prohibit outside storage areas for retail display.
- Delete the policy that permits up to 35% of industrial floor area and 15% of office floor area to be used for retail display or sales. Retail space up to 30% would continue to be permitted under the current policy regarding subordinate uses.
- Permit major office uses up to 10,000 m² (following an update to the City's major office definition to align with that of the *Growth Plan*).
- Permit medical office uses, provided the total of all such uses does not exceed 10,000 m².

The above amendments would necessitate re-designating most of the lands currently designated Business Commercial Employment and occupied by industrial uses to General Employment to ensure those uses continue to conform to the Official Plan. The lands that should continue to be designated BCE include:

- The QEW/Martindale business park;
- The lands on either side of the hospital, between Third Street and Vansickle Road, north of the railway; and
- The lands on the east side of Glenridge Avenue, across from Brock University (if they are not re-designated Major Institutional beforehand).

The City should also consider re-designating the properties fronting the west side of Louth Street to BCE, given their proximity to the planned transit-oriented development around the train station.

If the above amendments are implemented, the City should also split the GE zoning category into two, one for areas where large industrial lots are appropriate and one for

areas suitable for smaller lots. The provisions for BCE zones would also need to be updated.

Although the above suggested re-designations and continuing land use flexibility within General Employment areas may generally allow heavy, noxious and/or unsightly industrial uses in more areas of St. Catharines, the City can use the rezoning process to regulate the location of such uses and use zoning and/or site plan control to help regulate how any industrial use performs.

With the above suggested policy changes, there will be more land use flexibility within the city's employment lands overall, which will support diverse economic growth. At the same time, the changes will reinforce those employment areas most appropriate for office and other "prestige" employment uses by ensuring they remain physically attractive to future office and "hi-tech" employers.

4. The City should consider adding general economic objectives and policies to the Official Plan.

While the Garden City's Plan general employment policies appropriately support a full range of economic activity in the city, the plan currently lacks objectives and policies that reflect and reinforce the City's economic development strategy. Such policies are not necessary for regulating land use. They can help, however, to guide and support infrastructure, "place-making" and other initiatives, such as incentive programs, intended to attract employment and that are generally good for the economy.

VII CONCLUSIONS AND NEXT STEPS

This report summarizes the key findings and results of the St. Catharines ELNA, which concluded the following:

- Planning for employment and employment lands in St. Catharines is undertaken within the Provincial and Regional land use and growth management policy framework. The City must be consistent with direction from the PPS, *Growth Plan 2017* and *Niagara Regional Official Plan* in planning for its own growth and land needs through *The Garden City Plan*.
- St. Catharines is a key population and employment centre within Niagara Region. The City experienced variable residential and employment growth over the last three Census periods, amidst key demographic change and a shifting economic base.
- The aging of the population is a key consideration in planning for future residential and non-residential growth, as an aging population affects labour force participation. The out-migration of working aged adults is contributing to these impacts. The aging demographic trend is expected to continue in St. Catharines over the forecast horizon to 2041.
- The economy of St. Catharines has shifted in large part, away from manufacturing and other traditional industries to professional and commercial services and institutional sectors, indicative of the City's role as a regional service centre. It is anticipated that population-related and major office employment will represent a significant portion of future employment growth in St. Catharines.
- The employment forecast for St. Catharines is for growth of 18,000 jobs from 2016 to 2041. Most of this growth will be in population-related and major office employment and much of the City's future job growth will occur on mixed use and commercially designated lands.
- An updated St. Catharines employment land supply inventory indicates the City has 111 ha of vacant designated employment lands. The City is expected to add roughly 3,200 employment land employment jobs, resulting in a new employment land need of 77ha over the planning horizon to 2041. Taking into account some employment growth on occupied employment lands as firms grow or sites turn over (est.5%), an estimated density of 40 jobs per ha for newly developed employment sites, and a minor adjustment to account for long-term vacancy, a potential surplus of 18 ha has been identified.

- The City may choose to consider some minor changes to land use designations, to convert a small amount of land from employment to a mixed use designation in the current built-up area. Vacant greenfield employment lands represent unique opportunity sites that should be retained solely for accommodating the types of uses permitted in General Employment areas in order to provide for a range of employers and achieve its long-term employment growth outlook.
- Some changes to *The Garden City Plan* policies are recommended to ensure appropriate direction for Employment Area lands, relating to the definition of major office, permissions for major retail, establishing a hierarchy of business park types and the addition of economic objectives to the official plan.
 - The definition of “major office” should be updated to align with the new definition in the *Growth Plan*.
 - Strategic opportunities to permit major retail on low-performing employment lands should be explored during the next official plan review.
 - Use permissions within General Employment and Business Commercial Areas should be reviewed to establish a clear hierarchy of business park types.
 - The official plan could benefit from the inclusion of specific objectives and policies that support the City’s economic development strategy.

The results of the ELNA have been shared with key stakeholders, and finalized based on stakeholder feedback and City and Regional staff comments. The final employment forecasts and employment land needs results will provide a key input to Phase 4 of the Regional MCR and the mapping of Employment Areas in the *Regional Official Plan*.

Appendix: Input to Niagara Region Provincial Land Needs Assessment (LNA)

For the purposes of providing input to the Regional LNA process, the following table provides the total employment for St. Catharines for 2016 and 2041, including all employment types on employment area lands and density estimates for occupied, newly developing and an estimated overall density at 2041 across all employment areas and employment types, as required by the Provincial LNA methodology.

Total Employment Area + Employment for Input to Region of Niagara Provincial LNA

2016

Employment Area	Employment Area Land Area (ha)	Employment Area Employment (# of jobs)
Total Employment Area Lands (Vacant + Occupied)	552	33,712
<i>Major Office</i>		1,182
<i>Institutional</i>		8,530
<i>Employment Land Employment</i>		24,000

2041

Employment Area	Employment Area Land Area (ha)	Employment Area Employment (# of jobs)
Total Employment Area Lands (Vacant + Occupied)	552	37,972
<i>Major Office</i>		2,182
<i>Institutional</i>		8,530
<i>Employment Land Employment</i>		27,260

2016-2041

Employment Area	Employment Area Land Area (ha)	Employment Area Employment (# of jobs)
Total Employment Area Lands (Vacant + Occupied)	-	4,260
<i>Major Office</i>		1,000
<i>Institutional</i>		-
<i>Employment Land Employment</i>		3,260

Density	Jobs/ha
2016 Occupied Employment Areas (All Employment Types)	60
Newly Developing	40
2041 All Employment Types on Employment Areas	70