Final Report

Prepared by Hemson for City of Niagara Falls

Existing Conditions Report – Northwest Secondary Plan

September 30, 2024

HEMSON

1000 - 30 St. Patrick Street, Toronto ON M5T 3A3

416 593 5090 | hemson@hemson.com | www.hemson.com

Contents

1.	Introduction	1
A.	Secondary Plan Area Context	1
B.	Purpose of Report	3
2.	Existing Conditions	4
A.	Population, Dwelling Units and Employment	4
B.	Current Infrastructure Conditions	5
C.	Net Operating Costs of Existing Infrastructure	6
D.	Assessment Generated From Existing Development	10
3.	Conclusions & Next Steps	12
A.	Next Steps	12

1. Introduction

The City of Niagara Falls is currently completing a Secondary Plan for the Northwest Secondary Plan Area. As part of this work, Hemson Consulting has been retained to complete a Fiscal Impact Study (FIS) to assess the overall financial contribution and cost implications of development that would occur through implementation of the preferred land use concept.

The work for the assignment will be completed in two phases. The first being an assessment of existing conditions and the second being a FIS of the Preferred Land Use Scenario. The primary objective of the FIS will be to analyze the estimated capital and operating costs and available revenue to determine the financial viability of the Preferred Land Use Scenario. The City's operating and capital budgets, including infrastructure needs identified as part of the ongoing Master Servicing Plan (MSP) and Transportation Master Plan (TMP) updates, as well as the 2024/2025 capital budgets, will inform the analysis. Anticipated growth within the Secondary Plan Area will also inform the FIS.

A. Secondary Plan Area Context

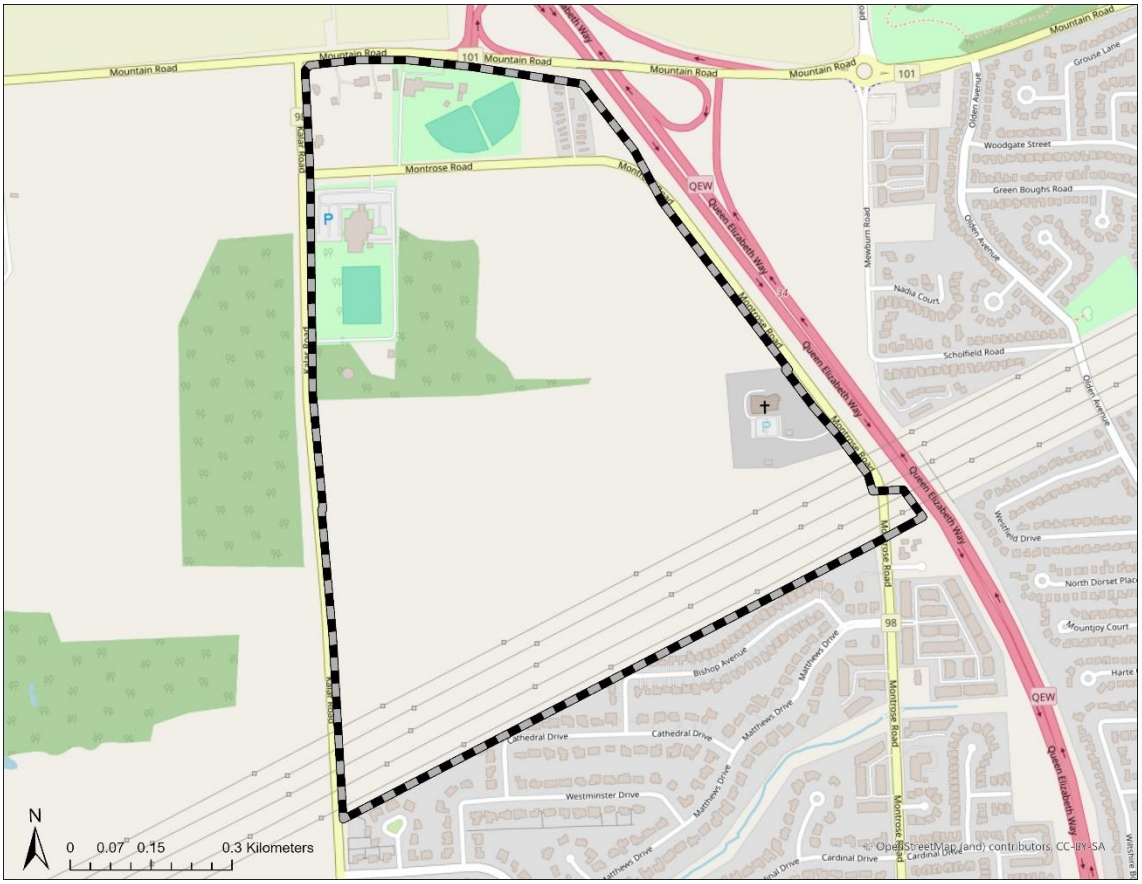
The Northwest Secondary Plan Area is located along the western area of the City encompassing 101 gross hectares, with an estimated 70 hectares of net developable land area. As stated on City's website:

> The overall objective of secondary planning is to create or contribute to the complete community concept, one that considers future neighbourhood structure that is well designed and developed to be vibrant, walkable, transit-supportive and respectful of the natural environment while contributing to help achieve the City's 2051 housing and employment targets.

The goal for this project will see City staff work with Niagara Region, Niagara Peninsula Conservation Authority, Council, residents, partner agencies and stakeholders as part of a continual and transparent land use planning process to create a land use vision and policies to guide future development of the Northwest Secondary Plan Area.

The following map (Figure 1) provides an overview of the Northwest Secondary Plan Area boundary.

Figure 1: Secondary Plan Boundary



B. Purpose of Report

The purpose of report is to provide a review of existing conditions within the Secondary Plan Area. This includes an overview of existing land uses, the assessment revenue generated from existing residential and non-residential uses as well as the baseline operating impacts associated. The second phase of the FIS is anticipated to be completed in Q3 of 2025 and will provide a detailed assessment of the preferred land use scenario for the Secondary Plan Area.

2. Existing Conditions

The following summarizes the existing land uses, infrastructure and associated revenues and operating costs of these uses. Future capital costs have not been identified as these will be assessed as part of the Preferred Land Use scenario used in the Phase 2 FIS.

Existing uses within the Northwest Secondary Plan Area include the following:

- Environmental/natural features
- Cash crop
- Place of worship
- Club Italia (hospitality and event centre)
- Regency Athletic Resort and Restaurant
- Shady Oaks Mobile Home Park
- Limited rural residential
- Niagara Sports Centre Ltd.

A. Population, Dwelling Units and Employment

The Northwest Secondary Plan area is bounded by the QEW to the east, Kalar Road to the west, Mountain Road to the north and the existing hydro corridor to the south. There are just over 20 hectares of land occupied by existing uses within the Secondary Plan Area (see Table 1). Existing residential uses include a small number of single detached houses in the northern part of the Secondary Plan Area plus the Shady Oaks Mobile Home Park. In total, it is estimated that there are 21 residential units with an estimated population of approximately 55. The existing non-residential uses include the Club Italia, Regency Athletic Resort, Niagara Sport and Social Club and a place of worship which are estimated in total to employ about 60 people, occupying nearly 5,500 m2 of gross floor area of non-residential space.

Table 1: Existing Conditions in Northwest Secondary Plan Area

	Northwest
Land Area	
Total Area	101.0 ha
Area Occupied by Use or Structure	20.5 ha
Hydro Corridor	19.4 ha
Remaining Area	61.1 ha
Existing Development	
Housing Units	21
Population	55
Employment	60
Non-Residential GFA	5,480 m2

B. Current Infrastructure Conditions

There is limited city and regional infrastructure within the Secondary Plan Area as it is largely undeveloped or is being used for non-urban type uses such as cash crops and/or rural residential. In this respect, the following comments are made regarding existing infrastructure within the area:

- The area is serviced by approximately 3.4 kilometers of existing City and Regional roads which runs along the exterior boundary of the Secondary Plan Area.
- There is some urban servicing in the area. Water services were extended beyond the City's urban boundary to service existing uses in the Secondary Plan Area. Club Italia has a private forcemain which connects into an existing sanitary sewer located at the Mount Carmel intersection. The existing urban lands immediately surrounding the Secondary Plan Area boundary are serviced by existing water and wastewater linear infrastructure.

- A hydro corridor runs along the southern boundary of the Secondary Plan Area.
- No other city or regional infrastructure exists in the area (e.g. libraries, parks, fire stations, police services etc.).

C. Net Operating Costs of Existing Infrastructure

Tax-supported operating costs from existing infrastructure in the Secondary Plan Area were estimated based on data from the City's 2022 Financial Information Returns (FIR) (the most recently available FIR). Only costs which are a responsibility of the City of Niagara Falls have been included in the analysis.

i. Operating Costs

Table 2 provides a summary of the current operating costs per capita (person) throughout the City based on the 2022 FIR data (indexed to $2024) and existing 2024 population (based on population estimates included in the 2023 DC Background Study). In total, city-wide operating expenditures amounts to $1,984 per capita. Recognizing there is no wastewater or stormwater servicing in the Secondary Plan Area, the per capita operating costs are also shown without these expenses ($1,670 per capita). This amount is used to determine the base operating costs for the existing uses within the Secondary Plan Area.

Table 2 – Summary of City-wide Operating Costs per Capita

Service	2022 FIR Total Operating Costs (Indexed to $2024)	2024 Quantity	Unit of Measure
General Government	$11,941,044	$121	per capita
Fire	$34,877,794	$353	per capita
Police	$4,177,004	$42	per capita
Protective Inspection and Control	$2,276,818	$23	per capita
Building Permit and Inspection Services	$2,586,999	$26	per capita
Emergency Measures	$9,464	$0	per capita
Roads and Related	$32,149,462	$325	per capita
Air Transportation	$817,476	$8	per capita
Transit	$0	$0	per capita
Parking	$1,834,979	$19	per capita
Wastewater	*$25,559,470*	*$259*	*per capita*
Storm - Urban	*$5,360,717*	*$54*	*per capita*
Storm - Rural	*$93,090*	*$1*	*per capita*
Water	$26,355,061	$267	per capita
Public Health	$93,902	$1	per capita
Cemeteries	$2,840,930	$29	per capita
Social Services	$906,264	$9	per capita
Parks	$6,791,294	$69	per capita
Recreation	$15,211,174	$154	per capita
Libraries	$6,308,443	$64	per capita
Museums & Cultural Services	$2,345,150	$24	per capita
Niagara Convention and Civic Centre Inc.	$6,041,975	$61	per capita
Planning and Development	$7,499,661	$76	per capita
Total		**$1,984**	**per capita**
Total Without Wastewater and Storm		**$1,670**	**per capita**

Table 3 provides an estimate of the 2024 annual operating costs per person within the Secondary Plan Area. In total, roughly $91,870 in operating costs is expected to be generated from existing development in the Secondary Plan Area in 2024.

Table 3 – Existing Operating Costs of Northwest Secondary Plan Area

Northwest	Quantity	Measure
Existing Population (2024)	55	People
Operating Cost per Capita	$1,670	$/person
Total	**$91,876**	

ii. Grants, Service Fees and Charges

Table 4 provides a summary of the City's grants, frees and service charges (as provided in the 2022 FIR), expressed as a dollar per capita (person) for 2024. In total, city-wide grants, fees and service charges amount to $293 per capita.

Table 4 – Summary of City-wide Grants, Fees and Service Charges Per Capita

Service	Grants, User Fees, and Service Charges (Indexed to $2024)	2024 Quantity	Unit of Measure
General Government	$957,477	$10	per capita
Fire	$69,226	$1	per capita
Police	$0	$0	per capita
Protective Inspection and Control	$176,036	$2	per capita
Building Permit and Inspection Services	$10,380	$0	per capita
Emergency Measures	$0	$0	per capita
Roads and Related	$1,902,195	$19	per capita
Air Transportation	$14,878,321	$151	per capita
Transit	$6,067,695	$61	per capita
Parking	$749,242	$8	per capita
Wastewater	*$0*	*$0*	*per capita*
Storm - Urban	*$0*	*$0*	*per capita*
Storm - Rural	*$0*	*$0*	*per capita*
Water	$0	$0	per capita
Public Health	$0	$0	per capita
Cemeteries	$700,592	$7	per capita
Social Services	$242,705	$2	per capita
Parks	$72,088	$1	per capita
Recreation	$2,033,442	$21	per capita
Libraries	$307,391	$3	per capita
Museums & Cultural Services	$107,199	$1	per capita
Niagara Convention and Civic Centre Inc.			
Planning and Development	$682,072	$7	per capita
Total	**$28,956,061**	**$293**	**per capita**
Total Without Wastewater and Storm	**$28,956,061**	**$293**	**per capita**

Table 5 provides an estimate of the 2024 annual grant revenues per person within the Secondary Plan Area. In total, roughly $16,100 in grants is expected to be generated from existing development in the Secondary Plan Area in 2024.

Table 5 – Existing Grant Revenues within Northwest Secondary Plan Area

Northwest	Quantity	Measure
Existing Population (2024)	55	People
Grants, Fees and Service Charges per Capita	$293	$/person
Total	**$16,100**	

iii. Net Operating Cost

The net operating costs of city-wide development for 2024 is summarized in Table 6. After accounting for anticipated grants, fees and service charges the total net operating impact per capita is $1,691 or $1,377 per capita without wastewater and storm operating costs. In total, the net operating impact estimated for existing development within the Secondary Plan Area totals approximately $75,760 in 2024 ($91,876 in operating cost less $16,100 in grants).

Table 6 – City-wide Net Operating Impact per Capita

Service	Net Operating Cost Existing Conditions	Unit of Measure
General Government	$111	per capita
Fire	$352	per capita
Police	$42	per capita
Protective Inspection and Control	$21	per capita
Building Permit and Inspection Services	$26	per capita
Emergency Measures	$0	per capita
Roads and Related	$306	per capita
Air Transportation	($142)	per capita
Transit	($61)	per capita
Parking	$11	per capita
Wastewater	*$259*	*per capita*
Storm - Urban	*$54*	*per capita*
Storm - Rural	*$1*	*per capita*
Water	$267	per capita
Public Health	$1	per capita
Cemeteries	$22	per capita
Social Services	$7	per capita
Parks	$68	per capita
Recreation	$133	per capita
Libraries	$61	per capita
Museums & Cultural Services	$23	per capita
Niagara Convention and Civic Centre Inc.	$61	per capita
Planning and Development	$69	per capita
Total	**$1,691**	**per capita**
Total Without Wastewater and Storm	**$1,377**	**per capita**

D. Assessment Generated From Existing Development

Assessed values for existing residential units and non-residential gross floor area were determined with reference to the current value assessment (CVA) of homes that are of similar quality and size to those that currently exist in the Secondary Plan Area. Similarly, the non-residential assessment was

based on values per square metre of gross floor area of existing buildings in Niagara Falls. The CVAs used in the analysis are as follows:

- Low Density Residential Units $450,000 per unit
- Medium Density Residential $300,000 per unit
- Local Commercial Buildings $2,000 per square metre

Table 7 summarizes the anticipated annual 2024 assessment revenues generated by existing residential and non-residential uses within the Secondary Plan Area. Several uses within the Secondary Plan Area generate no or very little assessment (e.g. churches are exempt and agricultural uses have nominal assessment generated). The existing non-residential gross floor area (square metres) has been adjusted to account for uses which do not generate tax revenue. There are a total of 12 mobile homes within the Secondary Plan Area which for the purposes of the analysis, have been treated as "medium density" dwellings.

Table 7 – Assessment Revenue Generated by Existing Uses

Unit Type	Value per Unit or per GFA	Measure	Existing Units / Square Metres	Assessment Value	Niagara Falls Tax Rate	Annual Tax Revenue
Low Density	$ 450,000	per unit	4	$ 1,800,000	0.005717320	$ 10,291
Medium Density	$ 300,000	per unit	17	$ 5,100,000	0.005717320	$ 29,158
Non-Residential	$ 2,000	per square metre	4,680	$ 9,360,000	0.009918980	$ 92,842
Total						**$ 132,291**

3. Conclusions & Next Steps

There is nominal existing operating costs and assessment revenue generated from existing uses within the Secondary Plan Area. This is attributable to the fact that the area is largely undeveloped and/or is being used by non land intensive uses (e.g. cash crops, hydro corridor, vacant land etc.).

A. Next Steps

The next phase in the process will be to complete a comprehensive financial impact assessment of a preferred plan use plan once the City has received results from various technical studies currently underway. The analysis will include a summary of anticipated capital costs, operating costs and assessment revenue associated with the Preferred Land Use plan for the area. Capital costs will be informed from the City's 2024 Development Charges (DC) Background Study as well as the ongoing MSP and TMP updates and supporting analysis being completed as part of the Secondary Plan Area process.

The detailed fiscal impact assessment will determine the impact of the Preferred Land Use Scenario on the City's overall financial position.