

Chapter 3 Development and Land Use Planning Profile

3.1 Regional Structure

The Region of Niagara was established in 1970 by the Province of Ontario through the enactment of the Regional Municipality of Niagara Act. Twenty six municipalities within the Counties of Lincoln and Welland were rearranged and amalgamated into twelve local municipalities under the umbrella of the Region of Niagara. The twelve municipalities that currently comprise Niagara are shown on **Figure 3.1**.

3.2 Historical Development of Agriculture

Prior to European settlement, the Niagara area remained in a relatively undisturbed state. The native population's use of land was relatively benign. Clearing and cultivation did not occur until European settlers arrived.

European settlement of Niagara was strongly tied to the history of the British in North America. The first significant wave of settlers was loyalists, fleeing the American Revolution. After the revolution, discharged soldiers were given land in the area. A military presence was established as Niagara became the base for, and the location of, significant military activity.

The presence of the military combined with the nature of the land, set the stage for the establishment of an agricultural industry. The first products offered were generated by the clearing of the land. Potash, produced from the burning associated with clearing, was sent to Europe for use by an emerging chemical industry. Pine and oak was sold to the military for ship masts and sent back to England for building.

Wheat became the first profitable agricultural product. The military paid high prices for it to feed the soldiers stationed at Niagara. As agriculture became established, oats, turnips and potatoes were cultivated. Maple syrup was a consistent product as it provided a substitute sugar for the farm families.

In 1864, the wheat crop failed. This provided a catalyst for expansion of the infant fruit industry. Expanding urban markets were now accessible by rail. The first major product was apples which, because of their long shelf life, could be shipped as far as London and Glasgow. Records show that in 1879 – 1880, about \$300,000 worth of apples were shipped overseas from Ontario with much of that production from Lincoln County.¹

Next in importance to apples were peaches. Peach orchards were relatively easy to establish and could be at full production in less time than an apple orchard. Growing urban areas, in close proximity to Niagara, provided accessible markets. The Great Western Railway that served Niagara, provided linkages to cities as far away as Windsor and Halifax.

Third in importance was the grape industry. Records show that the Wine Grower's Association was formed in 1866. Grape production was focused on growing Concord (*labrusca*) grapes around the bottom of the Escarpment. Plums, cherries and pears were also produced but did not have the dominance of apples, peaches and grapes because of diseases which at that time, were difficult to control.

¹ <http://www.niagarafarmers.com/currentissue/march/niagarasgrowth.html>

The rise of the fruit industry also resulted in a growing nursery industry. The demand for high quality, reliable stock created a strong market for this industry to build on. Large numbers of Dutch immigrants, with a background in horticulture settled in Niagara and became involved in horticultural operations. Their descendents continue to be prominent among growers today and there is still a link between growers in Niagara and resources in the Netherlands.

Fruit production did not replace traditional agriculture in Niagara. It simply became dominant in areas where the climate and geography supported it. The more traditional forms of agriculture, wheat, dairy, field crop and livestock production continued in the areas less suited to fruit production. These operations tend to be located in south Niagara.

3.3 Land Use Profile

The land use patterns evident in Niagara today are reflective of its history. Niagara is a relatively old region; most of the communities were founded more than 150 years ago. Niagara-on-the-Lake and Fort Erie developed because of the forts established there by the British. St. Catharines started as an inland trading and milling center. The hydroelectric capacity of the Niagara River, combined with the tourism attraction of the Falls, supported the growth of the City of Niagara Falls. Welland, Thorold and Port Colborne grew as a result of the development of the Welland Canal. Grimsby began as a market town.²

These urban centers are all discreet and create a distinctive development pattern; nodes of urbanization along the shoreline of the lakes and rivers and along the route of the Welland Canal. The Queen Elizabeth Way carves a swath through the region linking the urban centres.

Of all of the regions created by the province, Niagara is probably one of the most geographically cohesive. Being bounded by water on three sides defines a natural region. Its location on the border with the United States minimizes the spill over of business linkages that characterize other areas.

Industries in the region are older and well established. Most were attracted to the region by good transportation facilities, availability of cheap hydroelectric power and accessibility to markets. As part of the industrial base, industries related to agriculture have developed. Food processing, although it has declined in recent years, still has an important presence. Wineries are growing and, as well as an industrial use, are an important element of agriculture and tourism. As discussed in detail in Chapter 5, a significant component of the economic activity in the region is related to, or benefits from agriculture in some way.

Tourism has always been significant in Niagara. The Falls themselves and the beaches of Lake Erie are obvious and long established tourist attractions. The history of the area, the historic monuments located at St. Davids and the forts at Niagara-on-the-Lake and Fort Erie add to the attraction of the area. Less obvious, but equally significant, is the contribution agriculture makes to tourism. Although efforts to obtain substantiated visitor numbers generated by the wineries were unsuccessful, all estimates given were in the range of 800,000 to 1,000,000 visitors per year. When the numbers that visit the pick-your-own farms, farm markets, horticultural attractions or simply come to enjoy the beauty of Niagara in bloom are added to this, the importance of agriculture to tourism becomes obvious.

² Regional Niagara Policy Plan, Office Consolidation September 2001 p. 4

The final and most extensive component of the fabric of Niagara is agriculture. Much of the rural area, outside of the distinct urban settlements, has traditionally supported some form of agriculture. As discussed in the previous chapter, within the boundaries of the region are some of the most specialized agricultural areas in North America. The Fonthill Kame Moraine and the area along Lake Ontario are highly suited for the growing of cherries, peaches and grapes. The moderating influence of the Great Lakes ensures that climate enhances the value of the area for agriculture.

How extensive is the agricultural use? Niagara is approximately 444,349 acres in area. In 2001, the total area of farms in Niagara was 232,817 acres. This accounts for 52% of the land area of the region. By comparison, in 1976, the total area of farms was 243,615 acres or 54% of the land area. This represents slightly less than a 2% decline in the area of farms in this 25 year period. Agriculture continues to be the dominant land use in the region. **Figure 3.2 and Figure 3.3** provide details of the acreage changes over time during the period from 1971 to 2001.

During the period between 1996 and 2001, the amount of farmland in Niagara increased very slightly by 2,985 acres. Figure 3.4 depicts the pattern of change in farmland acres during the period between 1996 and 2001. The trends shown for this period are consistent with the trends that occurred between 1976 and 1996. The most significant decrease in acreage occurred in the more urbanized municipalities, in the areas where there is significant pressure for growth and in the municipalities with larger amounts of marginal land. It is significant to note the municipalities along the Queen Elizabeth Way west of St. Catharines, which contain much of the specialty land, experienced a decline in agricultural land.

3.4 History of Regional Planning Policies

The characteristics that allow a strong and productive agricultural industry also attract industry and population. The benevolent climate, good transportation facilities, historic environment and attractive landscape are all attractions for population growth. Managing all of these competing forces and the land base that each is dependent on, is a critical responsibility for the Regional Government.

Planning was one of the major responsibilities assigned to the Region when it was created in 1970. One of its first tasks was to prepare, adopt and forward to the Minister of Municipal Affairs an Official Plan. A plan was prepared, adopted by Regional Council and submitted to the Minister on Dec 31, 1973. Although final approval of the plan was not achieved until 1981, this document marked the beginning of a long and comprehensive planning program in the Region. The protection and management of agricultural land has always been a corner stone of this program. A review of the evolution of Regional planning policies confirms a strong understanding of, and commitment to, the protection of what is an extraordinary resource.

The Region of Niagara has direct responsibility for land use planning. Although all of the twelve (12) local municipalities have official plans, the context for local planning policies is set at the regional level. The Regional Plan establishes urban boundaries, sets the policies for the protection of agricultural land and manages the natural resources and areas. To understand the history of the management of agricultural land, a review of the Regional planning history is helpful.

During the period since its establishment, Niagara has been impacted by substantial changes affecting agriculture. In the 1970's when the region was first created, the industry was healthy. Farming was profitable and there was considerable optimism within the industry. The issue of most concern to the provincial government at the time, was fear of losing prime agricultural land and the ability to meet national and worldwide demand for food. Countering that was the attitude, generally at the municipal level, that growth was good and that farmland was simply in a holding pattern pending redevelopment for a "higher and better", usually urban, use. One of the reasons for the creation of the Regional Municipality of Niagara was to deal with this attitude and to preserve Niagara's prime agricultural lands.

Figure 3.2 - Farmland Acres in Ontario, Southern Ontario Region and the Regional Municipality of Niagara (Percentage of Change), 1971 to 2001

Geographic Location	Area of Farms (ac)							Percentage of Change	Percentage of Change
	1971	1976	1981	1986	1991	1996	2001	1971 - 2001	1996 - 2001
Ontario	15,963,056	15,473,011	14,923,280	13,953,009	13,470,653	13,879,565	13,507,357	-15.4%	-2.7%
Southern Ontario Region	4,164,494	4,106,658	4,079,868	3,930,710	3,902,841	4,100,912	3,985,132	-4.3%	-2.8%
Reg Mun of Niagara	252,544	243,615	248,655	236,942	215,939	229,832	232,817	-7.8%	1.3%

Note: Southern Ontario Region includes the following Counties & Districts: Brant, Elgin, Essex, Haldimand-Norfolk (now County of Haldimand and County of Norfolk, 2001), Hamilton-Wentworth (now City of Hamilton, 2001), Chatham-Kent, Lambton, Middlesex, Niagara, and Oxford.

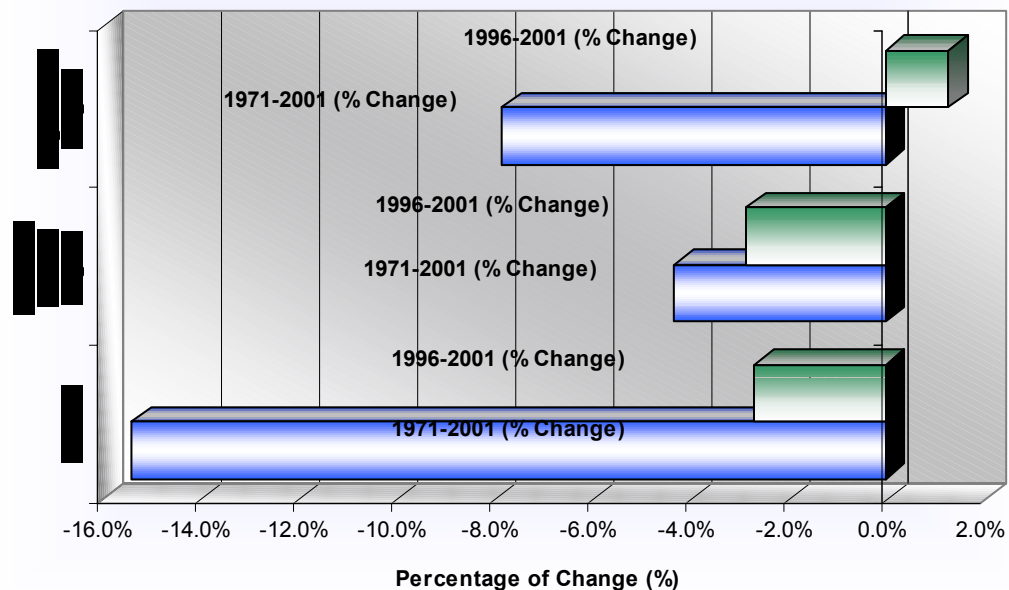
Source: 2001 Statistics Canada - Catalogue No. 95F0301XIE

1996 Statistics Canada - Agriculture Profile of Ontario - Catalogue No 95-177-XPB

1991 Agricultural Statistics for Ontario - OMAFRA - Publication 20

1981 Agricultural Statistics for Ontario - OMAFRA - Publication 20

Figure 3.3 Farmland Acres in Ontario, Southern Ontario Region and Regional Municipality of Niagara (Percentage of Change), 1971 to 2001



The 1980's saw the beginning of difficult times. Agriculture was negatively impacted by events such as increasing interest rates, falling commodity prices and rising production costs. Initiatives such as free trade caused concern about the impact on subsidies and trade agreements. A change in the provincial government resulted in a shift in policy and uncertainty over how it would be implemented.

The 1990's began with the introduction of free trade, changes in the provincial government and uncertain times for agriculture. In an effort to react to the expected impacts of free trade, farmers were paid to remove grape vines. The provincial government was committed to the protection of agriculture and entertained proposals for programs to protect agricultural land and provide security for farmers. The Tender Fruitland Easement Program was developed at this time with input from a broad range of interested parties.

The mid 1990's saw another shift. A change in government ended the discussions of agricultural easements and compensation and saw a return to a more hands off approach to protection of agricultural land.

In addition to shifts in provincial government policy, Niagara was impacted by a number of other initiatives. A major initiative was undertaken in 1973 with the passage of the Niagara Escarpment Planning and Development Act and the subsequent approval of the Niagara Escarpment Plan in 1985. This added an additional layer of regulation to land use in Niagara and affected a significant component of the agricultural community. The Regional Plan acknowledges and includes reference to the Escarpment Plan where there are overlaps in jurisdiction.

In the 1980's and early 1990's the Foodland Guidelines were the critical government policy guiding protection of farmland. With the election of the Conservative's in the mid 90's, the Guidelines were replaced by the agricultural policies in the Provincial Policy Statement.

Today some of the initiatives affecting Niagara include the Province's Smart Growth initiative and the discussions regarding a mid peninsula transportation corridor.

Throughout the last three decades, the Region of Niagara has implemented proactive planning policies to address external forces and manage the agricultural land in the region. Despite significant shifts in economic and political circumstances during that time, the Region has maintained reasoned and effective policies that have been implemented on a fair and consistent basis.

3.5 Existing Planning Policies

The Regional Niagara Policy Plan classifies agricultural land according to its capability. The land use designations are shown on **Figure 3.5**, the map of the Agricultural Land Base from the Regional Plan. The breakdown of land use designations are as follows:

- The lands suitable for cultivation of tender fruit and grapes are designated as Unique Agricultural lands;
- Class 1 and 2 lands, areas 60 to 70% Class 1 and 2 and majority of Class 3 lands are designated as the Good General Agricultural Area;
- The balance of the rural area is designated Rural; and
- Urban areas, settlements and hamlets are delineated with detailed boundaries set in the local Official Plans.

Policies governing these designations are geared to what is deemed to be an appropriate level of protection based on the perceived value of the resource.

Natural resources and environmental areas are dealt with as overlays. **Figure 3.6** shows delineated environmental areas. Certain types of agricultural uses are permitted in Environmentally Sensitive Areas under specific circumstances.

There are significant mineral resources in the Region. The policies in the plan protect these resources but also address the need to allow agricultural uses to continue on and around these lands. Long term rehabilitation for agricultural use is encouraged in areas of high agricultural significance.

The Region has undertaken to map forested lands as shown on **Figure 3.7**. Policies in the Plan encourage the retention of forested areas but also acknowledge the overriding importance of agriculture in prime areas. Retention of existing forest and reforestation is encouraged on land designated Rural Area or where agriculture is not deemed to be a realistic alternative.

The policies in the Regional Plan are clear and supportive of agriculture. However, on the surface they appear not to be significantly different from policies in other regional plans in the Golden Horseshoe. Why then has Niagara been more successful in protecting its agricultural lands?

Niagara's success can partially be attributed to the unique nature of the land base that elevates the importance of preservation. This same land base allows a somewhat higher level of financial security for farmers than is experienced elsewhere. However this is not the only reason for Niagara's success. Research into the processes by which policies have been developed, implemented and reviewed confirms that it is the way Niagara has approached this issue, as much as the policies themselves, that have contributed to their success.

From the beginning, the agricultural community has been an integral part of policy development. Other regions are just now creating Agricultural Advisory Committees to provide input on policies that affect the industry. Niagara Region has had one since it's beginning.

Niagara has many active and effective agricultural organizations. Input from these organizations is solicited on an ongoing basis and their input is acted upon. Certainly the Region and the agricultural community have their differences but communication has been ongoing and effective. On issues that are of importance to the agricultural community, the Region has shown an ongoing commitment to listen and to act.

The other significant factor is the nature of the Niagara policies. They are sufficiently flexible to allow the agricultural industry to make the adjustments it needs to remain competitive and viable. Issues such as farm related severances, value added uses, and agri tourism have been dealt with in a manner that provides flexibility while protecting the resource.

Niagara does not rest on its laurels. A review of the research conducted by the Planning and Development Department over the past 20 years reveals a commitment to remaining current with and responsive to the issues affecting agriculture. Ongoing review of policy keeps the policies up to date and relevant.

Finally there is consistency in application. This provides certainty in the industry. During the administration of questionnaires and in discussion with farmers in Niagara, the comfort expressed with the planning process was striking. Farmers did not necessarily agree with all of what has been or is being done, but they understand the policies and were comfortable that they will be administered fairly and consistently. They are confident that change will only come about through discussion and negotiation. This attitude is very different from what has been encountered elsewhere. In other regions, uncertainty about and mistrust of the planning process has been one of the major issues raised by farmers. In other regions there is no expectation that political or administrative support will be there when needed. In Niagara, this did not emerge as an issue.

3.6 Current Issues

There are a number of issues both local and provincial that are, or have the potential to, affect agriculture in Niagara. These include the current review of the Provincial Policy Statement (PPS), the Smart Growth initiative, the debate about a mid peninsula transportation corridor running down the spine of Niagara, and the agricultural preserve initiative that has been introduced.

3.7 Severances

One of the measures of a successful planning program is often the number of severances that are approved in the rural and agricultural areas. In 2002, a study conducted by the University of Guelph, reviewed the incident of severances across Ontario³. The results of this study for Niagara are contained in **Appendix 6** of this report.

The conclusion of this study was that during the period between 1990 and 2000 an average of four lots were created in Niagara for each concession block. This may seem high for a prime agricultural area. However, when the policies regulating severances are considered, they can be summarized as follows.

Severance may be permitted when:

- Land is being added to an existing farm;
- For minor boundary adjustments;
- To sever surplus dwellings;
- For a retiring farmer;
- In substitute for a retirement lot, for a member of the family involved in the farm operation; and
- To create a farm parcel.⁴

With the exception perhaps of the retirement lot, severances in these circumstances are reasonable. Many of the farms in Niagara are smaller than the average in Ontario due to the nature of the agriculture in the Region. Increasingly farmers are farming diverse parcels under a variety of different ownerships. The ability to manage the resource and reallocate it is often important to the success of the operation. The ability to dispose of a surplus dwelling often provides the resources to expand the farming operation. Permitting retirement lots is a practice which allows new residential uses in agricultural areas. This is a practise the Region may wish to reconsider in the ongoing review of agricultural polices. It may be something they are forced to review as a result of the update of the PPS.

3.8 Review of Provincial Policy Statement

The Province is currently in the process of reviewing and updating the Provincial Policy Statement (PPS). Although considerable consultation has been carried out, it is unclear what direction the Province will take in amending the policies. To date, Niagara has been effective in working with provincial policy to protect land. However weaknesses exist in the current PPS that can, and have been used to redesignate agricultural land in areas experiencing growth pressures. Hopefully the review will address these weaknesses and reaffirm a Provincial commitment to protecting prime agricultural land, an essentially non-renewable resource.

³ D Wayne Caldwell and Claire Weir, Severance Activity in Ontario's Agricultural Land 1990 to 2000, Sept. 2002

⁴ Regional Municipality of Niagara Policy Plan, Section 6.A.9, Office Consolidation Sept. 2001

3.9 Smart Growth

The Provincial Smart Growth initiative has been ongoing for several years. This is an initiative intended to assist in managing the problems of sprawl and growth pressures in Ontario. Release of position papers from the Ontario Smart Growth panel has been ongoing. Although it appears that agriculture is not an issue of major importance to the panel, it is an issue that received some attention.

In response to the Provincial Smart Growth initiative, Niagara has initiated its own program entitled Smarter Niagara. The issues being considered by the Province are under consideration in the regional context with the notable difference being that agriculture is front and centre as a main issue.

The Smarter Niagara initiative has engaged many members of the community in discussion. By taking this proactive approach to the Provincial initiative, Niagara will be well positioned to present its position on Smart Growth. This should assist in ensuring that any steps taken that will affect Niagara, will have the benefit of input from the regional community.

3.10 Mid Peninsula Transportation Corridor

The process to secure a new corridor through Niagara is currently ongoing. Although the Province is in the beginning stages of this process, it is an initiative that has been called for by the Region for a significant period of time. The efforts to protect the tender fruit and grape areas are hampered by the presence and influence of the Queen Elizabeth Way (QEW). As the volume of traffic constantly increases, there have been consistent calls to either widen the QEW or provide an alternative.

Niagara has always supported an alternative link across the region, above the Escarpment, to the border. The initiative was an essential component of the growth strategy contained in the first Regional Plan. It was recognized early on that to reduce development pressure on the lands along the QEW, and to direct growth to the southern areas of the Region, an alternative route to the border was required. It will be interesting to see if the ongoing deliberations by the Province result in a consensus on this issue.

3.11 Agricultural Preserve Initiative

Since the introduction of free trade, the wine industry in Niagara has recovered and prospered. It appears to have a bright future and to be a potential engine for agricultural growth and prosperity. This is the vision being promoted by the Wine Council and a number of the growers. In light of this, an initiative to create an agricultural preserve in the area of the tender fruit and grape lands has commenced.

This initiative is of concern to the growers who are experiencing a glut of grapes and difficulty in marketing their product. There is a feeling that the playing field for a number of growers is not level. Concessions made as a result of free trade may favour some, to the detriment of others. The growers have concerns about the definition and promotion of Ontario wines and some of the policies implemented by the Liquor Control Board of Ontario.

There is no doubt that the tender fruit and grape lands are unique and that special policies must be implemented to manage them. Whether the policies should go so far as to create a preserve is a question that is the topic of an ongoing and heated debate in Niagara at present. The Region is taking steps to address the issue and has created a task force, made up of representatives from across the industry, to ensure there is fair and comprehensive debate before a decision is made.

3.12 Summary

Niagara is well served by the planning process in place in the Region. The process is established and has been fairly and consistently administered over enough time to establish a level of comfort. The agricultural community is integral to the process and its input is not only listened to, it is sought out. Global, national, provincial and local issues affecting agriculture are consistently identified, analysed and acted upon.

Although the planning record in Niagara is excellent it is not without problems. Growth pressure affects the area and differences in the application of policies at the local and regional level have negatively impacted agriculture. Lack of coordinated planning of infrastructure can have unanticipated negative implications for agriculture.

Agriculture is an incredibly diverse industry and what may be appropriate to support one commodity group may not work for another. Across the board, flexibility and ability to respond to change are key to the success of the industry. Niagara seems to understand this and to have established an environment that is supportive.

In the next decade, issues of growth management, financial return and integration of value added activities into agricultural operations will be critical. By providing a snap shot of the industry at this point in time and an assessment of its financial characteristics and contribution to Niagara, this report should be an effective tool in helping the Region continue its successful efforts to support the industry.