

BY-LAW NUMBER **xxx**  
OF THE  
CORPORATION OF THE CITY OF KITCHENER  
(Being a by-law to amend By-law 85-1 known as the Zoning  
By-law for the City of Kitchener – Inclusionary Zoning

WHEREAS it is deemed expedient to amend By-law 85-1;

NOW THEREFORE the Council of the Corporation of the City of Kitchener  
enacts as following amendments to By-law 85-1:

1. Section 5 is hereby amended by adding the following section after section 5.33 **FOUR TO TEN DWELLING UNITS ON A LOT:**

**“5.34 INCLUSIONARY ZONING”**

- a) For the purposes of this Section 5.34

**“Affordable Unit”** means a dwelling unit where the maximum rent is in accordance with subsection 5.34 e), and is occupied by an eligible tenant in accordance with subsection 5.34 f) of this By-law.

**“Complete Application”** means an application that contains sufficient particulars and information to allow it to be processed and approved. An application that is incomplete becomes a complete application on the date that the required particulars and information are provided to the City.

**“Development”** means the construction, erection or placing of one or more buildings or structures on land or the making of an addition or alteration to a building or structure that has the effect of substantially increasing the size or usability thereof.

**“Eligible Tenant(s)”** - means a tenant that is eligible to occupy affordable units in accordance with subsection 5.34 f)

**“Gross Leasable Residential Floor Area”** means the aggregate horizontal area of dwelling units in a building measured from the exterior faces of the exterior walls of all storeys of a building. For greater clarity, Gross Leasable Residential Floor Area does not include common or parking areas or storage lockers.

**“Non-profit housing provider”** means

- i) a corporation to which the Not-for-Profit Corporations Act, 2010 applies that is in good standing under that Act and whose primary objective is to provide housing;
- ii) a corporation without share capital to which the Canada Business Corporations Act applies, that is in good standing under that Act and whose primary objective is to provide housing;
- iii) a non-profit housing co-operative that is in good standing under the Co-operative Corporations Act; or
- iv) an organization that is a registered charity within the meaning of the Income Tax Act (Canada) or a non-profit organization exempt from tax under paragraph 149(1)(l) of that Act, and whose land is owned by the organization, all or part of which is to be used as affordable housing.

**“Purpose-Built Rental Housing”** means all or part of a multiple dwelling or mixed use building where dwelling units are not a unit within a registered condominium per section 2 of the Condominium Act, and which is intended for use as a rented residential premises.

**“Regional Market Area”** means the real estate market within the geographical boundary of the Region of Waterloo.

- b) The following regulations shall apply to the following Protected Major Transit Station Areas identified on Appendix F to this by-law:
  - Grand River Hospital;
  - Central Station;
  - Victoria Park/ Kitchener City Hall;
  - Queen/ Frederick;
  - Kitchener Market;
  - Borden; and
  - Mill.
- c) Section 5.34 of this By-law does not apply to the following developments:
  - i) Existing buildings except where any addition or change in use would result in 50 or more new dwelling units;
  - ii) Development that would add fewer than 50 dwelling units to a lot;
  - iii) Development where a non-profit housing provider has an interest that is greater than 51 per cent;
  - iv) Development that, on or before the effective date of the zoning by-law amendment bringing this section 5.34 Inclusionary Zoning provisions into this By-law, is the subject of a complete application for:
    - a. a plan of subdivision under section 51 of the Planning Act;

- b. a description or an amendment to a description under section 9 of the Condominium Act; or
  - c. Building permit; and/or
  - d. Site plan control under section 41 of the Planning Act;
  - v) Development that is exempt in accordance with the Planning Act and associated regulations;
  - vi) Residential Care Facility;
  - vii) Lodging House;
  - viii) Group Home;
  - ix) Correctional Group Home;
  - x) Hospice;
  - xi) A student residence owned and/or operated by a post-secondary school; or
  - xii) The portion of any development that has received a ‘shell’ building permit prior to January 1, 2025.
- d) A percentage of gross leasable residential floor area shall be provided as affordable units in accordance with Table 5-1.

Table 5-1: Inclusionary Zoning Set-Aside Requirements

<b>Market Area</b>	<b>Protected Major Transit Station Area</b>	<b>Minimum Percentage of Gross Leasable Residential Floor Area to be provided for affordable units</b>
Prime	<ul style="list-style-type: none"> <li>• Central Station</li> <li>• Victoria Park/Kitchener City Hall</li> <li>• Queen/Frederick</li> </ul>	2%
Established	<ul style="list-style-type: none"> <li>• Grand River Hospital</li> <li>• Kitchener Market</li> <li>• Borden</li> <li>• Mill</li> </ul>	1%
Emerging	<ul style="list-style-type: none"> <li>• Block Line</li> <li>• Fairway</li> <li>• Sportsworld</li> </ul>	0%

- e) The maximum rent that can be charged for affordable units will be determined annually by the City, in consultation with the Region and according to the following definition:
- i) within buildings that are not purpose-built rental housing, the lesser of average market rent for the regional market area according to the number of bedrooms;

or 30% of the 60<sup>th</sup> percentile household income for renter households for the regional market area; *and*

- ii)* within purpose-built rental housing, the greater of the figure calculated in accordance with subsection 5.34 e) i) above or 30% of median renter household income for regional market area, as published from time to time by Canada Mortgage and Housing Corporation.
- f) Tenants of affordable units shall be pre-approved by the City in consultation with the Region and have a maximum household income of 3.5 times the unit's rent at the time the tenant first occupies the unit.
- g) Affordable units shall be similar to market units in terms of mix, type, size, and quality as further detailed in the agreements described in section 5.34 i).
- h) Affordable units shall not exceed the maximum rent set out in subsection 5.34 e) and will be provided to eligible households in accordance with subsection 5.34 f) for a minimum of 25 years after the date the unit is first occupied.
- i) Inclusionary Zoning requirements in Section 5.34 and related matters outlined in the City's Official Plan and Planning Act shall be secured by one or more legal agreements with the City, owner, and owner of offsite units if applicable, to the satisfaction of the City Solicitor, and registered on title of the lands."

2. APPENDIX "D" - SPECIAL REGULATION PROVISIONS FOR SPECIFIC LANDS to By-law 85-1 is hereby amended by adding Special Regulation Provision 808R as follows:

"Notwithstanding Table 5-1 in section 5.34 of this By-law, within the lands zoned M-2 on Schedule 143 of Appendix A, the percentage of gross leasable residential floor area to be provided as affordable units shall be in accordance with the Prime Market Areas in Table 5-1 ."

- 3 Schedule Number 143 of Appendix A to By-law Number 85-1 is amended by adding Special Regulation Provision (808R) in accordance with Attachment 1.
- 4. Appendix J is hereby added to By-law 85-1 in accordance with Attachment 2.
- 5. This By-law shall become effective only if Official Plan Amendment No. **xx** (Inclusionary Zoning), comes into effect pursuant to Section 24(2) of the Planning Act, R.S.O. 1990, c. P. 13, as amended.

PASSED at the Council Chambers in the City of Kitchener this      day of      , 2024.

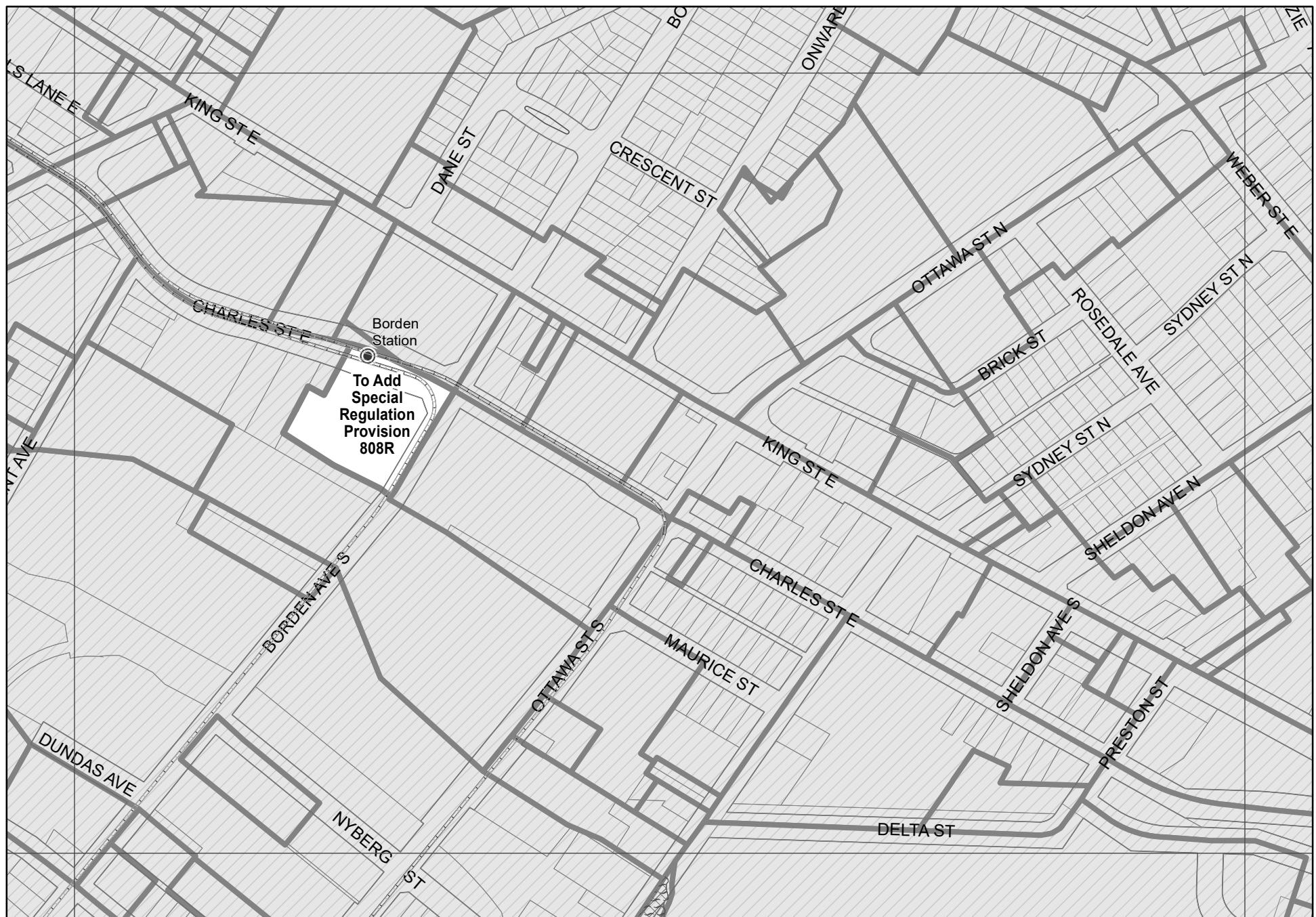
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Mayor

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Clerk

**Attachment 1 Changes to Appendix A to By-law Number 85-1 to add Special Regulation Provision (808R) to specified lands**



[5000] Zoning By-law Index Number  
(88) Site Specific Provision Number  
1 Property Detail Schedule Number

Date: November 24, 2023

#### By-Laws

- Lands Subject to this Zoning By-law Amendment
- Lands not Subject to this Zoning By-law Amendment

#### Overlays Applicable to By-Law 2019-051

- |  |                      |  |  |
|--|----------------------|--|--|
|  | Flooding Hazard      |  | Ecological Restoration Areas               |
|  | Slope Erosion Hazard |  | Significant Wildlife Habitat and Landforms |

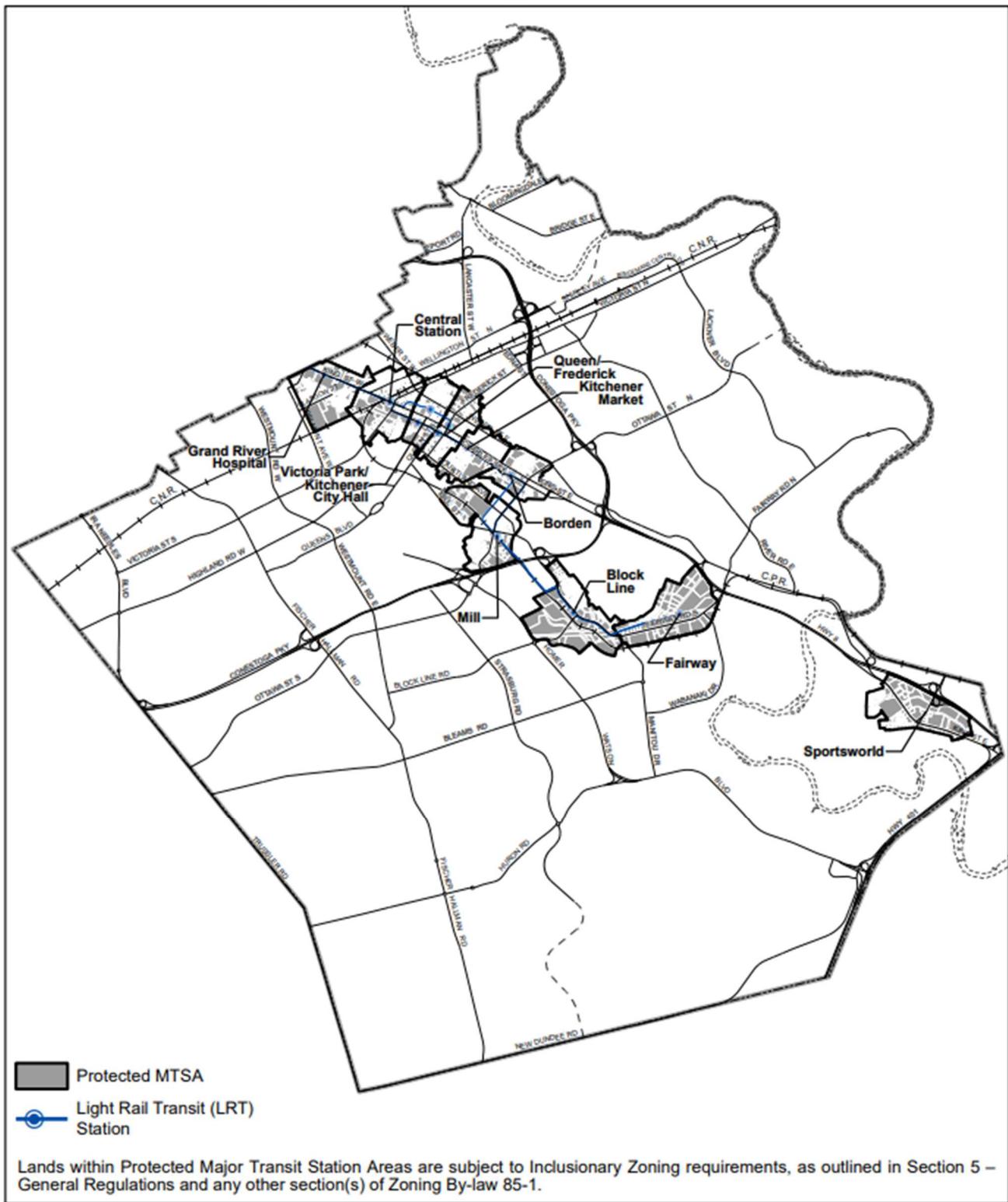
120	142	175
119	143	174
118	144	173



## **Attachment 2**

**New Appendix J that shows detailed PMTSA boundaries and labels**

***Appendix J: Protected Major Transit Station Areas***



METRIC SCALE 1:78,000  
0 500 1,000 2,000  
Metres

