

REPORT TO: Planning and Strategic Initiatives Committee

DATE OF MEETING: March 7, 2022

SUBMITTED BY: Bustamante, Rosa - Director of Planning, 519-741-2200 ext. 7319

PREPARED BY: Dumart, Craig – Senior Planner, 519-741-2200 ext. 7073

WARD(S) INVOLVED: Ward 9

DATE OF REPORT: January 31, 2022

REPORT NO.: DSD-2022-062

SUBJECT: Official Plan Amendment OPA/21/001/F/DE
Zoning By-law Amendment ZBA/21/002/F/DE
30 Francis Street South
30 Francis Kitchener Incorporated

RECOMMENDATION:

That Official Plan Amendment Application OPA/21/001/F/DE for 30 Francis Kitchener Incorporated requesting a Specific Policy Area be refused; and

That Zoning By-law Amendment Application ZBA21/002/F/DE for 30 Francis Kitchener Incorporated be approved in the form shown in the 'Proposed By-law', and 'Map No. 1', attached to Report DSD-2022-062 as Appendix 'A'; and further

That in accordance with Planning Act Section 45 (1.3 & 1.4), applications for minor variances shall be permitted for lands subject to Zoning By-law Amendment Application ZBA21/002/F/DE.

REPORT HIGHLIGHTS:

- The purpose of this report is to evaluate and provide a planning recommendation regarding a Zoning By-law Amendment application for a property located at 30 Francis Street South. It is planning staff's recommendation that the Zoning By-law be approved.
- Community engagement included:
 - circulation of a preliminary notice letter to property owners and residents within 240 metres of the subject site;
 - installation of a large billboard notice sign on the property;
 - follow up one-on-one correspondence with members of the public;
 - two Neighbourhood Information Meetings held on June 2, 2021 and December 14, 2021);
 - notice letter advising of the statutory public meeting was circulated to all property owners within 240 metres of the subject site, those who responded to the preliminary circulation; and those who attended the Neighbourhood Meetings;
 - notice of the public meeting was published in The Record on February 11, 2022.

This report supports the delivery of core services.

EXECUTIVE SUMMARY:

Planning staff is recommending refusal of the requested Official Plan Amendment and approval of a revised Zoning By-law Amendment application to add Special Regulation Provision 776R in Zoning By-law 85-1 to permit a 44 storey mixed use development with an increased Floor Space Ratio (FSR), a reduced rear yard building setback and a Holding Provision to require remediation of the site contamination and to require an updated noise study. As part of this development the applicant is seeking to obtain an increase in floor space ratio in exchange for the provision of community benefits in accordance with the bonusing provisions of Section 17.E.17 of the City of Kitchener's Official Plan. Density bonusing is permitted in the Official Plan (and under Section 37 of the Planning Act) for properties within the Urban Growth Centre (Downtown). Staff recommends that the Zoning By-law Amendment application be approved

BACKGROUND:

The City of Kitchener has received a revised development concept from 30 Francis Kitchener Incorporated (IN8 Developments) that is proposing to permit an increased Floor Space Ratio in exchange for the provision of community benefits in accordance with the bonusing provisions of Section 17.E.17 of the Official Plan.

The original Official Plan Amendment application was proposing to add a Specific Policy Area to increase the Floor Space Ratio to 18.3. As community benefits are being proposed through the revised Zoning By-law Amendment for 30 Francis Street South, the Official Plan Amendment is no longer required.

The proposed Zoning By-law Amendment application is requesting to add Special Regulation Provision 776R in Zoning By-law 85-1 to permit residential uses, reduce the rear yard setback and to allow for an increased floor space ratio of 18.3 to be achieved through the use of bonusing provisions, as well as to apply Holding Provision 90H and also to require site contamination remediation and an updated noise study.

The lands are within the Urban Growth Centre, designated 'Innovation District' in the City of Kitchener Official Plan and are zoned 'as Warehouse District Zone (D-6)' in Zoning By-law 85-1.

Existing Warehouse District Zone (D-6) zoning permissions include:

- Commercial and light industrial uses;
- Maximum floor space ratio of 2.0;
- Rear yard setback of 7.5 metres; and
- Maximum front yard setback of 2.0 metres.

Site Context

The subject lands are addressed as 30 Francis Street South and are situated within the City of Kitchener's Downtown. The subject lands are located at the easterly side of the block bound by Charles Street West, Francis Street South and Halls Lane. The subject property has a lot area of 0.23 hectares (0.57 acres) with 54.8 metres of frontage along Francis Street South and 42.2 metres of frontage along Charles Street West. 30 Francis Street South is currently a vacant parcel of land which was formerly used as a surface parking lot. The subject lands directly abut the surface parking lot of the U-Haul commercial property located to the west of the subject lands. The surrounding neighbourhood consists of a variety of uses including high rise mixed-use, commercial, buildings, medium rise residential, and institutional office buildings. Existing surrounding lands are used for

surface parking lots and old large industrial buildings which either have been converted to loft style office, residential and other viable uses.

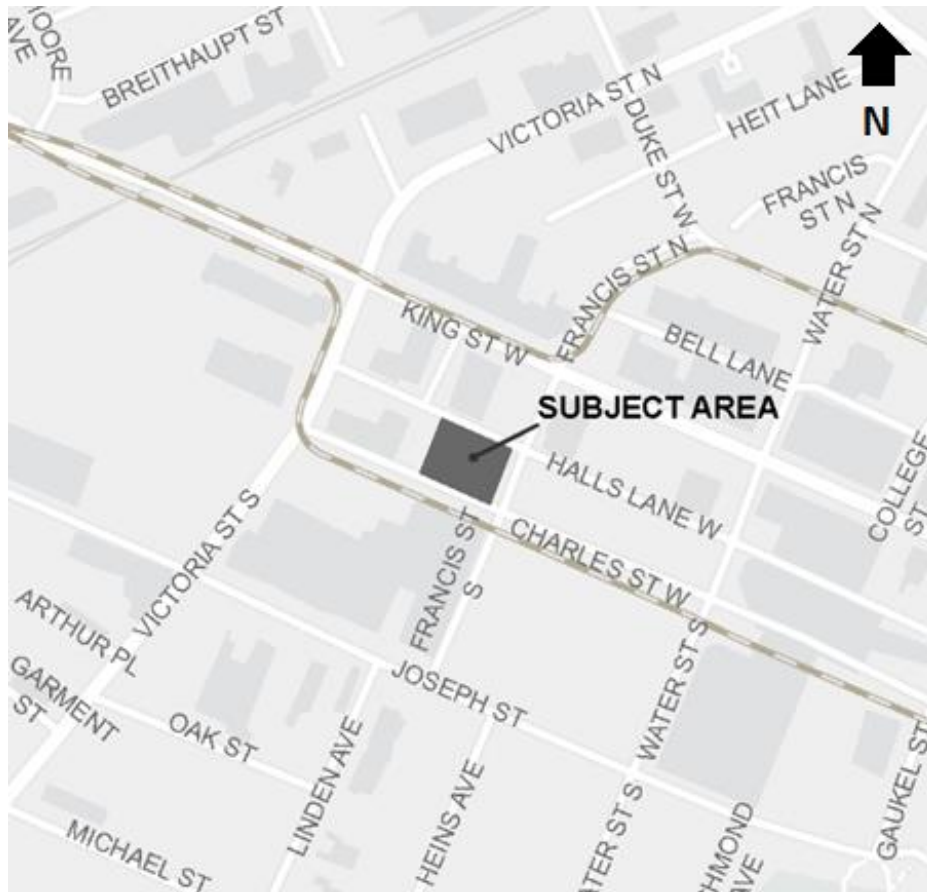


Figure 1 - Location Map: 30 Francis Street South

REPORT:

The applicant is proposing to develop the subject lands with a 44 storey, mixed use building, consisting of 532 residential units, 3 ground floor commercial units and amenity uses located at grade, with a roof top terrace on the 7th level, and 241 parking spaces located underground and internal to the building. The proposed building includes a square footprint that has been oriented along Charles Street East, Francis Street South and Halls Lane West. Ground floor commercial units are located along the Charles Street frontage, and building amenities are located along Francis Street and wrap along the Halls Lane building façade. The principal entrance to the building is located in the southeast corner of the building at the intersection of Charles Street East and Francis Street South. The proposed 44 storey mixed use building is located adjacent to the Lang Tannery building, which has been converted to office and technology related uses. The proposed development includes a 6 storey podium (base) which is sensitive in scale, massing and comparable to the height of the Tannery building.

Through the processing of the application, a revised development proposal was prepared. The original development proposed a multiple residential building comprised of 532 dwelling units (1 and 2 bedrooms only) with 242 parking spaces and one floor of underground parking. In response to comments provided by Planning staff and the public, the applicant has amended the proposed development and is now proposing to develop a mixed-use building with a mix of residential unit types and increase in the floor space ratio in exchange for the provision of community benefits in accordance with the bonusing provisions of Section 17.E.17 of the Official Plan and Section 37 of

the Planning Act. Table 1 below provides a comparison of the development concepts and Figures 2 and 3 show the floor plan and a rendering of the revised development proposal.

Table 1. Development Concept Comparison Table

	Original Development Concept	Revised Development Concept
Number of Units	532 residential units	532 residential units
Parking Spaces	242 spaces	241 Spaces
Underground Parking Levels	1 Level	2 Levels
Bicycle Parking	135 Class A 6 Class B	148 Class A 6 Class B
Ground floor Commercial Units	0 commercial units, Blank façade located along Charles Street East	3 commercial units located along Charles Street East.
Unit Types	Bachelor units (10) 1 bedroom units (304) 1 bedroom + den units (99) 2 bedroom units (119)	(191) 1 bedroom units (194) 1 bedroom + den units (137) 2 bedroom units (5) 2 bedroom + den units (5) 3 bedroom units
Electric Vehicle Parking	Not included	20 Electric Vehicle parking spaces provided
Parkland Enhancement	Not included	Included (Redesign, tender, and reconstruct Francis Green)
Affordable Housing Donation	Not included	Included (\$300,000 donation to affordable housing)
LEED Standards Building Design	Not included	The development will be designed to incorporate LEED standards.
Barrier Free Accessible Units	80 units (15% required by the Building Code)	101 units (19% of the units)



Figure 2 – Revised Development Concept Ground Floor Plan



Figure 3 – Revised Development Elevation Intersection of Charles Street and Francis Street

The revised development concept includes significant changes in direct response to public and staff comments. The revised proposed development includes a mixed-use building, a broader mix of unit types (including five larger 3 bedroom units and five 2 bedroom plus den units), additional bicycling parking, and commercial units located at grade designed to activate the street and enhance the public realm. Furthermore, Planning staff are recommending that the proposed increase in Floor Space Ratio be permitted in exchange for the provision of community benefits. Planning staff are recommending this in accordance with the bonusing provisions of Section 17.E.17 of the Official Plan and Section 37 of the Planning Act. The community benefits provided as part of the revised development include the following: Transportation Demand Management (TDM) Measures, Dwelling Units in the Urban Growth Centre, Water and Energy conservation measures, Parkland Improvements, LEED-inspired building design, Electric Vehicle Parking stalls, and Barrier Free Accessible Units beyond the building code requirement. In addition, the developer has proposed an affordable housing sponsorship. Staff is supportive of the proposed revised development concept.

To facilitate the redevelopment of 30 Francis Street South with the proposed development concept, a Zoning By-law Amendment is proposed to change the zoning of the subject lands. The lands are currently designated 'Innovation District' in the City of Kitchener Official Plan and zoned 'Warehouse District Zone (D-6)' in Zoning By-law 85-1.

The owner is proposing to change the zoning to 'Warehouse District Zone (D-6) with Special Regulation Provision 776R and Holding Provision 90H' in Zoning By-law 85-1, to permit residential uses, reduce the rear yard setback and increase the Floor Space Ratio (FSR) through the use of bonusing provisions. A Holding Provision is also proposed to be added to the property to prevent the development of the site with sensitive uses, including residential uses, until the site contamination has been remediated and a revised noise study is completed to the satisfaction of the Region of Waterloo.

Planning Analysis:

Provincial Policy Statement, 2020:

The Provincial Policy Statement (PPS) provides policy direction on matters of provincial interest related to land use planning and development. Section 1.4.3(b) of the PPS promotes all types of residential intensification, and sets out a policy framework for sustainable, healthy, liveable and safe communities. The PPS promotes efficient development and land use patterns, as well as accommodating an appropriate mix of affordable and market-based residential dwelling types with other land uses, while supporting the environment, public health and safety. Provincial policies promote the integration of land use planning, growth management, transit-supportive development, intensification, and infrastructure planning to achieve cost-effective development patterns, optimization of transit investments, and standards to minimize land consumption and servicing costs.

To support provincial policies relating to the optimization of infrastructure, transit and active transportation, the proposed designation and zoning facilitate a compact form of development which efficiently uses the lands, is in close proximity to transit options including bus and rapid transit and makes efficient use of both existing roads and active transportation networks. The lands are serviced and are in proximity to cycling networks, multiple parks, trails and other community uses. Provincial policies are in support of providing a broad range of housing. The proposed mixed-use development represents an attainable form of market-based housing with a mix of unit types.

Planning staff is of the opinion that the proposed Zoning By-law Amendment application will facilitate the intensification of the subject property with a mixed-used development that is compatible with the surrounding community and will make efficient use of the existing infrastructure. The proposed development will create more housing options in the downtown within walking distance to jobs. No

new public roads would be required for the proposed development and Engineering staff have confirmed there is capacity in the sanitary sewer to permit this amount of intensification on the subject lands.

Based on the foregoing, staff is of the opinion that this proposal is in conformity with the PPS.

A Place to Grow: Growth Plan for the Greater Golden Horseshoe, 2020 (Growth Plan):

The Growth Plan supports the development of complete and compact communities that are designed to support healthy and active living, make efficient use of land and infrastructure, provide for a range and mix of housing types, jobs, and services, at densities and in locations which support transit viability and active transportation. Policies of the Growth Plan promote growth within strategic growth areas including Urban Growth Centres and major transit station areas, in order to provide a focus for investments in transit and other types of infrastructure.

Policies 2.2.3 1 (a) and (d) identifies that Urban Growth Centres will be planned as focal areas for investment in regional public service facilities, as well as commercial, recreational, cultural, and entertainment uses and that Urban Growth Centres plan to accommodate significant population and employment growth.

Policy 2.2.6.1(a) states that municipalities will support housing choice through the achievement of the minimum intensification and density targets in this plan by identifying a diverse range and mix of housing options and densities, including additional residential units and affordable housing to meet projected needs of current and future residents.

Policies 2.2.1.4 states that complete communities will:

- a) feature a diverse mix of land uses, including residential and employment uses, and convenient access to local stores, services, and public service facilities;
- b) improve social equity and overall quality of life, including human health, for people of all ages, abilities, and incomes;
- c) provide a diverse range and mix of housing options, including additional residential units and affordable housing, to accommodate people at all stages of life, and to accommodate the needs of all household sizes and incomes;
- d) expand convenient access to:
 - i. a range of transportation options, including options for the safe, comfortable and convenient use of active transportation;
 - ii. public service facilities, co-located and integrated in community hubs;
 - iii. an appropriate supply of safe, publicly-accessible open spaces, parks, trails, and other recreational facilities; and
 - iv. healthy, local, and affordable food options, including through urban agriculture;
- e) provide for a more compact built form and a vibrant public realm, including public open spaces;
- f) mitigate and adapt to the impacts of a changing climate, improve resilience and reduce greenhouse gas emissions, and contribute to environmental sustainability; and
- g) integrate green infrastructure and appropriate low impact development.

The Growth Plan supports planning for a range and mix of housing options and, in particular, higher density housing options that can accommodate a range of household sizes in locations that can provide access to transit and other amenities.

The subject lands are located within the City's delineated Urban Growth Centre (UGC), and within a Major Transit Station Area (MTSA) in the 2014 Kitchener Official Plan. In the City's OP on Map 2 – Urban Structure the lands appear within the MTSA circle for the Central Station. Urban Growth Centres plan to accommodate significant population and employment growth. The Region of

Waterloo commenced the Regional Official Plan Review (ROPR) project and as part of that work, revised MTSA boundaries were endorsed by Regional Council. These lands are located within the Regionally endorsed MTSA boundary. The proposed development represents intensification and will help the City achieve density targets in the MTSA. The proposed zoning will support a higher density housing option that will help make efficient use of existing infrastructure, parks, roads, trails and transit. The mixed use development is also proposed to include several unit types that vary in sizes, increasing the variety of housing options for future residents.

Regional Official Plan (ROP):

Urban Area policies of the ROP identify that the focus of the Region's future growth will be within the Urban Area. The subject lands are designated UGC in the ROP. The proposed development conforms to Policy 2.D.1 of the ROP as this neighbourhood provides for the physical infrastructure and community infrastructure to support the proposed residential development, including transportation networks, municipal drinking-water supply and wastewater systems, and a broad range of social and public health services. Regional policies require Area Municipalities to plan for a range of housing in terms of form, tenure, density and affordability to satisfy the various physical, social, economic and personal support needs of current and future residents.

Regional staff have indicated that they have no objections to the proposed application or to higher density within the MTSA area and Urban Growth Centre of the Region as the type of high-density development proposed on site supports the Planned Community Function of the ROP. (Appendix 'D'). Planning staff are of the opinion that the applications conform to the ROP.

City of Kitchener Official Plan (OP)

The City of Kitchener OP provides the long-term land use vision for Kitchener. The vision is further articulated and implemented through the guiding principles, goals, objectives, and policies which are set out in the Plan. The Vision and Goals of the OP strive to build an innovative, vibrant, attractive, safe, complete and healthy community.

Official Plan policy 17.E.12.6 of the OP notes that the City will consider all applications to amend the Zoning By-law and will provide notice of such application in accordance with the provisions and regulations of the Planning Act.

Urban Structure

The OP establishes an Urban Structure for the City of Kitchener and provides policies for directing growth and development within this structure. Intensification Areas are targeted throughout the Built-up Area as key locations to accommodate and receive the majority of development or redevelopment for a variety of land uses. Primary Intensification Areas include the Urban Growth Centre (UGC), Major Transit Station Areas (MTSA), Nodes and Corridors, in this hierarchy, according to Section 3.C.2.3 of the Official Plan. The subject lands are located within the UGC. The UGC (Downtown) is the primary Urban Structure Component and Intensification Area. The planned function of the UGC is to accommodate a significant share of the Region's and City's future population and employment growth. Section 3.C.2.13 of the OP indicates that the UGC is planned to achieve, by 2031 or earlier, a minimum density of 225 residents and jobs combined per hectare and assist in achieving the minimum residential intensification target identified in Policy 3.C.1.6. The UGC is planned to be a vibrant Regional and Citywide focal point and destination and is intended to be the City's primary focal point for residential intensification as well as for investment in institutional and Region-wide public services, commercial, office, recreational, cultural and entertainment uses.

The site is also within the Central Station Area and within 400 metres of both the Central and Victoria Park ION stops. In accordance with Policy 3.C.2.17 of the OP, the planned function of the MTSA is

to provide densities that will support transit, and achieve a mix of residential, office, institutional and commercial uses. They are also intended to have streetscapes and a built form that is pedestrian-friendly and transit-oriented.

Policies also require that development applications in MTSAs give consideration to the Transit-Oriented Development (TOD) policies contained in Section 13.C.3.12 of the OP. Generally, the TOD policies support a compact urban form, that supports walking, cycling and the use of transit, by providing a mix of land uses in close proximity to transit stops, to support higher frequency transit service and optimize transit rider convenience. These policies also support developments which foster walkability by creating safe and comfortable pedestrian environments and a high-quality public realm. Staff is of the opinion that the proposed development will help to increase density in an area well served by nearby transit and rapid transit while being context sensitive to surrounding lands and provides excellent access to off-road pedestrian and cycling facilities.

Staff is of the opinion that the proposed Zoning By-law Amendment will support a development that not only complies with the City's policies for the UGC and MTSA but also contributes to the vision for a sustainable and more environmentally friendly city.

Land Use Designation

The subject lands are designated 'Innovation District' (Map 4, Urban Growth Centre) in the City of Kitchener Official Plan. The Innovation District is characterized by a mix of high rise and medium residential, mixed use, commercial and office buildings and old large industrial buildings which either have been converted to loft style office, residential and other viable uses or have the potential to do so. This area of the city is expected to evolve and transform into a dense urban contemporary setting with continued growth in the high-tech industry coupled with the research office uses affiliated with the nearby post-secondary institutions. The primary uses permitted in the Innovation District include offices, particularly research and high-tech offices institutional uses and residential uses.

Policies 15.D.2.50 to 15.D.2.52 of the City of Kitchener's Official Plan encourage growth in this area to occur by permitting a full range of complementary commercial uses and encouraging high density residential uses.

Policy 17.E.17 of the Official Plan allows bonusing to permit increases in the height and density (FSR) of a development in exchange for those community benefits listed provided that the proposed increases support the vision of the plan, constitute good planning, support good urban design and are compatible with the adjacent properties and the surrounding area. The applicant has proposed the following community benefits in support of the increase in FSR from 3.0 to 18.3:

- Transportation Demand Management Measures (including 148 Class A bicycle and 6 Class B Bicycle parking spaces)
- Dwelling Units in the Urban Growth Centre
- Water and Energy conservation
- Parkland Improvements
- LEED Inspired Building Design
- Electric Vehicle Parking stalls (20 spaces and with charging stations)
- Special Needs Housing (19% of units Barrier free accessible)

In addition to the community benefits/bonusing provisions above that will be formally secured through a Section 37 Agreement, the developer is also proposing a significant affordable housing donation. The applicant has advised in writing that they intend to make a \$300,000 donation to the St. Peter's Lutheran Church who will use the donation to contribute to the development of an affordable housing project located in the downtown area. (Appendix E).

As the subject lands are located within the UGC the OP strongly encourages the use of bonusing in accordance with Policy 17.E.17.3. A Section 37 Agreement will be required and the specific community benefits to be provided in exchange for density increases to be incorporated into the amending Zoning By-law. Community benefits are to be provided in exchange for increased density and may include, but are not limited to, constructing dwelling units in the UGC, energy or water conservation, TDM measures, public art, transit infrastructure, public amenity areas, affordable housing contributions, parkland enhancements, heritage conservation, provision of public parking and others on the list in the Official Plan under Section 17.E.17.2. The items proposed by the applicant, for this zoning by-law amendment application, are consistent with the Official Plan direction on community benefits to be provided in exchange for density increases, and therefore meets the intent of the Official Plan. The proposed community benefits for this development proposal will be detailed below in the Zoning By-law section.

Section 15.D.2.3 of the OP indicates that transit supportive uses are vital to the downtown, and that this area is intended to serve as a high-density major employment area as well as the area to support the city's growth in population. The use proposed at the scale and density shown would meet this transit supportive employment objective.

PARTS Central Plan

The subject lands are located within the PARTS Central Plan which is a guiding document that made recommendations for land uses within and around rapid transit station stops. The PARTS Central Plan made recommendation for amendments to the Secondary Plans within the MTSA, which have not yet been implemented. One of the primary recommendations was to protect stable neighbourhoods by directing growth in the areas such as the Innovation District. The applicant is seeking density bonusing in exchange for the community benefits cited above. The proposed development provides for a range of housing options located within the UGC. Accordingly, the proposed amendment is in keeping with the PARTS Central vision for development within and around the ION stops.

Urban Design

The City's urban design policies are outlined in Section 11 of the City's OP. In the opinion of staff, the proposed development meets the intent of these policies including: Streetscape; Safety; Universal Design; Site Design; Building Design, and Massing and Scale Design. To address these policies, an Urban Design Brief was submitted and has been reviewed by City staff. The Urban Design Brief outlines the vision and principles guiding the site design and informs the proposed zoning by-law regulations.

Streetscape – A key design feature of the proposed development are active street frontages. The commercial units are situated at grade along Charles Street West, while building amenity rooms and uses are situated along Francis Street and wrap along the frontage of Halls Lane. The main pedestrian entrance to the building is provided at the corner of Francis/Charles, easily accessible by the public sidewalk. Vehicular entry to the site is provided off Charles Street West to the underground parking level and Halls Lane to the passenger drop-off and podium parking. Cyclists can enter the site from the underground parking entrance on Charles Street West. Loading and service vehicles are proposed to access the site at the rear from Halls Lane.

Safety – As part of the site plan approval process, staff will ensure Crime Prevention Through Environmental Design (CPTED) principles are achieved and that the site meets the Ontario Building Code and the City's Emergency Services Policy.

Universal Design – The development will be designed to comply with Accessibility for Ontarians with Disabilities Act and the Ontario Building Code.

Skyline – The proposed tower will provide a new feature on the City’s skyline. The proposed building will create visual interest from several different vantage points.

Site Design, Building Design, Massing and Scale – The subject site is designed to have a building that will be developed at a scale that is compatible with the existing and planned built form for the Urban Growth Centre. The tower of the proposed development is composed with a slender floorplate located on top of a mid-rise building. The proposed podium base is sensitive in scale and massing and is comparable to the height of the Tannery building located directly across the street. Tower step-backs of approximately 2 metres are proposed along Francis Street. Unit balconies are proposed on all elevations of the tower from Level 8 to Level 44.

Tower Design

The proposed building tower is classified as a “Compact Slab” as the proposed tower floor plate is less than 850 square metres in area. The tower placement has been oriented to minimize overlook to adjacent properties and provide a diagonal relationship with the existing tall building at 1 Victoria Street. The tower massing aligns with ground floor level, offering a step back of approximately 2 metres from its widest point along Francis Street. The tower massing is broken up vertically by variation and the articulation of building materials. Furthermore, balconies for the residential units are included on all street-facing elevations.

Shadow Impact Study

The owner has completed a Shadow Impact Study in addition to the Urban Design Report. Staff have reviewed the study and are satisfied the shadow study meets the minimum requirements, as related to shadow impacts, as noted in the City of Kitchener Urban Design manual.

Wind Study

A wind study was prepared for the consideration of this development proposal and reviewed by staff. The wind conditions surrounding the proposed development are expected to be suitable for sitting in the summer and standing outside in both summer and winter. The wind study conditions for the 44 storey tower along Charles Street West and Francis Street south are expected to be comfortable in the summer for sitting and standing in winter at the main entrance. Along the building’s north wall along Halls Lane, wind conditions are expected to be suitable for standing in the summer and leisurely walking in the winter. Conditions on the 7th floor roof top terrace are also expected to be comfortable in the summer and ideal for leisurely walking in the winter. Additional wind analysis will occur through the site plan phase and any mitigation measures required will be addressed through detailed building design phases.

Tall Building Guidelines

The proposed development has also been reviewed for compliance with the City’s Design for Tall Buildings Guidelines. The objective of this document is to:

- achieve a positive relationship between high-rise buildings and their existing and planned context;
- create a built environment that respects and enhances the city’s open space system, pedestrian and cyclist amenities and streetscapes;
- create human-scaled pedestrian-friendly streets, and attractive public spaces that contribute to livable, safe and healthy communities;
- promote tall buildings that contribute to the view of the skyline and enhance orientation, wayfinding and the image of the city;

- promote development that responds to the physical environment, microclimate and the natural environment including four season design and sustainability; and,
- promote tall building design excellence to help create visually and functionally pleasing buildings of architectural significance.

The proposed development has been designed with these objectives in mind. City staff has confirmed that the proposed tower is generally consistent with and meets the overall intent of the City's Design for Tall Building Guidelines.

Transportation Policies:

The Official Plan supports an integrated transportation system which incorporates active transportation, allows for the movement of people and goods and promotes a vibrant, healthy community using land use designations and urban design initiatives that make a wide range of transportation choices viable. The subject lands are located along the LRT line and in close proximity to multiple ION station stops. The building has excellent access to cycling networks, including existing on and off-street cycling facilities, the downtown cycling grid, and multiple trails that are within close proximity. The location of the subject lands, in the context of the City's integrated transportation system, supports the proposal for transit-oriented development on the subject lands.

Policy 3.C.2.22 states that until such time as Station Area Plans are completed and this Plan is amended accordingly, in the interim, any development application submitted within a Major Transit Station Area will be reviewed generally in accordance with the Transit-Oriented Development Policies included in Section 13.C.3.12

The proposed Zoning By-law Amendment application supports a denser residential development in the City of Kitchener's primary intensification area (UGC). The location of the proposed building, results in a built form that fosters walkability in a pedestrian-friendly environment, which allows walking to be a safe, comfortable, barrier-free and convenient form of urban travel.

As part of the future site plan approval processes, the design of the buildings will have to feature a high-quality public realm to enhance the identity of the area and create gathering points for social interaction, community events and other activities. Additionally, secured and visitor bicycle parking is required as part of the Zoning By-law.

Housing Policies:

Section 4.1.1 of the City's Official Plan contains policies with the primary objective to provide for an appropriate range, variety and mix of housing types and styles, densities, tenure and affordability to satisfy the varying housing needs of our community through all stages of life. The proposed development increases the range of dwelling units available in the city. The development is contemplated to include a range of unit types including, one and two bedrooms, with and without dens and three-bedroom units. Of the 532 proposed dwelling units, 19% of the units (101) will be barrier free accessible. The wide range of units will appeal to a variety of households.

Sustainable Development

Section 7.C.4.1 of the City's Official Plan ensures developments will increasingly be sustainable by encouraging, supporting and, where appropriate, requiring:

- a) compact development and efficient built form;
- b) environmentally responsible design (from community design to building design) and construction practices;
- c) the integration, protection and enhancement of natural features and landscapes into building and site design;

- d) the reduction of resource consumption associated with development; and,
- e) transit-supportive development and redevelopment and the greater use of other active modes of transportation such as cycling and walking.

Development applications are required to demonstrate that the proposal meets the sustainable development policies of the Plan and that sustainable development design standards are achieved.

Policy 7.C.4.6 of the Official Plans permits the City to develop bonusing regulations in the Zoning By-law for development satisfying the sustainable development design standards. The bonusing regulations may include provisions permitting building elements with a demonstrated benefit to the community.

As part of the revised development submission, the Applicant has provided a letter outlining sustainable development initiatives that will be further explored at the site planning stage. Planning staff are recommending site-specific zoning that would require a Section 37 Bonusing Agreement. One of the many community benefits being proposed is grey water collection for the irrigation of landscape elements. Furthermore, twenty (20) Electric Vehicle parking spaces are required as part of the site-specific zoning.

Official Plan Conclusions

Planning staff is recommending refusal of the requested Official Plan Amendment as it is no longer required. Rather the requested increase in Floor Space Ratio will be achieved in exchange for the provision of community benefits in accordance with the bonusing provisions of Section 17.E.17 of the Official Plan to be detailed in the proposed zoning by-law. Staff are recommending approval of a revised Zoning By-law Amendment application to add Special Regulation Provision 776R in Zoning By-law 85-1 to permit the 44 storey mixed-use building with a reduced rear yard setback and an increased floor space ratio achieved through bonusing provisions as further detailed in the proposed Zoning By-law Amendment Section of this report. Planning staff are of the opinion that the recommended Zoning By-law amendment conforms to the Official Plan.

Proposed Zoning By-law Amendment:

The subject lands are zoned 'Warehouse District Zone (D-6)' in Zoning By-law 85-1. The existing zoning permits a range of commercial and light industrial uses with a maximum permitted Floor Space Ratio (FSR) of 2.0. The applicant has requested an amendment to Zoning By-law 85-1 to change the zoning from 'Warehouse District Zone (D-6)' to 'Warehouse District Zone (D-6) with Special Regulation Provision 776R and Holding Provision 90H' in Zoning By-law 85-1.

Official Plan policies indicate that where special zoning regulations are requested for residential intensification or a redevelopment of lands, the overall impact of the site specific zoning regulations will consider compatibility with existing built form; appropriate massing and setbacks that support and maintain streetscape and community character; appropriate buffering to mitigate adverse impacts, particularly with respect to privacy; avoidance of unacceptable adverse impacts by providing appropriate number of parking spaces and an appropriate landscaped/amenity area.

The applicant is seeking to amend the Zoning By-law to add Special Regulation Provision 776R to Zoning By-law 85-1. The proposed Special Regulation Provision is to allow for residential uses, reduce the rear yard setback to 0 metres and increase the Floor Space Ratio from 2.0 to 18.3 through a Section 37 Agreement, which will outline density bonusing increases in exchange for the provision of community benefits in accordance with the bonusing provisions of Section 17.E.17 of the Official Plan.

Staff offer the following comments with respect to the proposed Special Regulation Provision 776R

- a) Multiple Dwelling Residential Units shall be permitted.

The purpose of this regulation is to allow residential uses on the subject land. The current zoning of the property does not align with the subject lands 2014 Official Plan Designation (Innovation District) as the new downtown zoning to implement the 2014 Official Plan has not been completed. The primary uses permitted in the Innovation District include offices, particularly research and high-tech offices institutional uses and residential uses.

- b) The minimum rear yard setback shall be 0.0 metres for a mixed-use building containing a residential dwelling.

The purpose of this regulation is to allow the building's podium to be located right up to the rear property line. The subject lands have frontage on three public right of ways (Halls Lane, Francis Street and Charles Street) which do not have a minimum yard setback when abutting a street. The request to reduce the rear yard setback (property line abutting the U-Haul surface parking lot) allows the podium to be built to the rear property line and allows for a continuous urban built form along Charles Street West and Halls Lane.

- c) An additional Floor Space Ratio of 16.3. shall be provided in exchange for community benefits as set out in this by-law and secured through a Section 37 Agreement for a total maximum for the site of 18.3.

Bonusing is a strategy that is currently permitted by the Planning Act within frameworks approved by Council prior to September 18, 2022 and may be used by the City to assist in the development or redevelopment of key areas in the City. It involves increasing the height and/or density of a development or redevelopment in exchange for community benefits. The proposed development is proposing to increase the Floor Space Ratio in exchange for the provision of community benefits in accordance with the bonusing provisions of Section 17.E.17 the Official Plan. The owner is proposing the following bonusing provisions identified in the Official Plan to allow for increased density; Transportation Demand Management Measures, Dwelling Units in the Urban Growth Centre, Water and Energy conservation, Affordable Housing Sponsorship, Parkland Improvements, LEED inspired building design, Electric Vehicle Parking stalls and Barrier Free Accessible Units.

Community Benefits / Bonusing Provisions

Pursuant to Section 37 of the *Planning Act*, the density (Floor Space Ratio) of development permitted by this By-law is subject to compliance with the conditions set out in this By-law and in return for the provision by the owner of the site the following community benefits listed below, the provisions of which shall be secured by an agreement pursuant to Section 37 of the *Planning Act*:

- a) Transportation Demand Management Measures including 148 Class A bicycle and 6 Class B Bicycle parking spaces;

Section 17.E.17.2 b) of the Official Plan identifies Transportation Demand Management (TDM) strategies as a bonusing provision. TDM measures are used to reduce the use of single occupancy vehicles and encourage increased transit ridership, walking and cycling. The development proposes to include 148 Class A bicycle (indoor) and 6 Class B (outdoor) Bicycle parking spaces. The current zoning by-law does not require any Class A and Class B bicycle parking spaces. The proposed TDM measure will encourage cycling by providing residents and visitors adequate bicycle parking to help reduce the dependency on motor vehicles.

b) Dwelling Units in the Urban Growth Centre (Downtown);

Section 17.E.17.2 o) of the Official Plan identifies the development of Dwelling Units in the UGC as a bonusing provision. The OP policies for the UGC are designed to support population and job growth by encouraging high intensity residential developments in the Downtown. The UGC is planned to be a vibrant regional and citywide focal point and destination and is intended to be the city's primary focal point for residential intensification as well as for investment in institutional and region-wide public services, commercial, office, recreational, cultural and entertainment uses. The addition of 532 residential units which include a wide range of unit types, proposed through this development will assist in making the downtown a more vibrant place and meeting the goals of the City of Kitchener's Official Plan.

c) Water and Energy Conservation;

Section 17.E.17.2 a) of the OP identifies Water and Energy conservation as a bonusing provision. Water is one of our most precious resources; it is essential to human life and the health of our environment and our community. Section 7.C.5.2. of the Official Plan encourages the use of alternative water supply and demand management systems such as, rainwater harvesting and grey water reuse in all new developments and/or redevelopments. The proposed development includes a Rainwater collection and reuse system which will be used for irrigation purposes. This proposed water conservation measure will reduce water consumption on site and contribute towards a sustainable development.

d) Parkland Improvements, including all costs associated with the design and construction of Francis Green Parkette;

Section 17.E.17.2 e) of the Official Plan identifies improvements to parks as a bonusing provision. In consultation with Parks and Cemeteries staff, it has been identified that the Francis Green would benefit from improvements to support its use as a public parkette in the downtown core and that a redesign and enhancement of this space is a welcomed community benefit. Francis Green is a parkette owned by the City of Kitchener and located across Hall's Lane to the north of the subject lands. The developer is proposing to redesign, tender and reconstruct the public space. The parkette will be reprogrammed for higher public enjoyment and usability. A number of new residential developments in the area, such as 1 Victoria and the Kaufman Lofts condominiums would directly benefit through an improved greenspace as well as wider community benefit to residents of and visitors to the downtown area of Kitchener. Attributes of the Francis Green, such as the Industrial Artifact, are important to incorporate into any consideration for redesign and construction to repurpose for better public utilization. The developer has proposed a high-level conceptual design for the Francis Green which incorporates the industrial features and provides an improved urban parkette design for better community use. The space would be redesigned to meet the needs of an urban parkette and should pay regard to the improvements recently implemented in the City's Vogelsang Green (located at the corner of Duke Street West and Queen Street North). However, consideration to elements to support wider community park and open space use, such as play elements, could be included. Designs will meet or exceed existing City standards and will be shared and reviewed as per the 'Developer Build' process with review at 30%, 60% and 90% stages with a fully costed construction set being approved pre-tender. As built drawings to City standards will be provided after construction. There will be no cost to the City of Kitchener as the developer will be fully responsible to design and construct the improvements to the Francis Green. Public input will be considered as part the redesign of the park space.

e) LEED inspired building design;

Section 17.E.17.2 k) of the Official Plan identifies the construction of buildings to LEED standards as a bonusing provision. The proposed development will be designed by incorporated LEED

standards which will include the following LEED inspired design features:

- Indoor Bicycle facilities
- Reduced parking rate to lessen on-site parking footprint
- Electric vehicle parking and Charging Stations
- Rainwater collection and reuse to reduce irrigation demands
- Rooftop green space to promote habitat restoration, reduce solar heat gain and mitigate heat island effect
- Selection of finishes with low or zero Volatile Organic Compound (VOC) off-gassing
- Covered parking to reduce heat island effect
- Reduce light pollution by using down lighting
- Reduce Indoor water use by using low flow and water saving fixtures

All of these design considerations are LEED inspired which will result in a sustainable development and will be further explored and secured through a Section 41 agreement at the Site Plan approval stage.

- f) 20 Electric Vehicle Parking stalls;

Section 17.E.17.2 b) of the Official Plan identifies Transportation Demand Management (TDM) strategies as a bonusing provision. Section 13.C.7.2. of the Official Plan identifies electric vehicle charging stations as an enhanced sustainable transportation choice. The twenty (20) Electric Vehicle Parking stalls will provide for a sustainable transportation choice for residents in the proposed development and contribute to a sustainable development. The current Zoning By-law does not require any EV parking spaces.

- g) Barrier free accessible units (19% of total units).

Section 17.E.17.2 l) of the Official Plan identifies the provision of special needs housing as a bonusing provision. The proposed development includes 101 (19% of total units) barrier free accessible units which is a form of special needs housing. These barrier free units will provide housing opportunities to residents that require barrier free units and those that may not drive, with good public transit accessibility and the full range of community services.

Staff offer the following comments with respect to Holding Provision 90H:

Official Plan policies indicate that holding provisions will be applied in those situations where it is necessary or desirable to zone lands for development or redevelopment in advance of the fulfillment of specific requirements and conditions, and where the details of the development or redevelopment have not yet been fully resolved. A Holding provision may be used in order to facilitate the implementation of the 'D-6' zone and special regulation provision. The City will enact a by-law to remove the holding symbol when all the conditions set out in the holding provision have been satisfied, permitting development or redevelopment in accordance with the zoning category assigned.

Holding Provision 90H

Planning staff are recommending the following holding provision as part of the Zoning By-law Amendment:

- i. No residential use shall be permitted until such time as a Record of Site Condition is submitted and approved to the satisfaction of the Ministry of the Environment and Climate Change. This Holding Provision shall not be removed until the Region of Waterloo is in receipt

of a letter from the MOECC advising that a Record of Site Condition has been completed to the satisfaction of the Ministry of the Environment and Climate Change.

- ii. No residential use shall be permitted until such time as a Traffic, Railway and Stationary Noise Study is submitted and approved to the satisfaction of the Regional Commissioner of Planning, Housing and Community Services, if necessary. This Holding Provision shall not be removed until the City of Kitchener is in receipt of a letter from the Regional Commissioner of Planning, Housing and Community Services advising that such noise study or studies has been approved and an agreement, if necessary, has been entered into with the City and/or Region, as necessary, providing for the implementation of any recommended noise mitigation measures

There is an environmental threat located on the adjacent lands in accordance with the Region's Threats Inventory Database (TID) due to past and current land uses. A Record of Site Condition (RSC) and Ministry Acknowledgement Letter shall be required in accordance with the Region's Implementation Guidelines. Until such time that the RSC and Ministry Acknowledgement letter have been received by the Region, residential redevelopment of the site is not permitted. A noise study was prepared in support of the proposed Zoning By-law and reviewed by the Region of Waterloo. Additional building noise mitigation measure will be reviewed through the site plan design and approvals process and an addendum to the noise study will be required prior to removal of the Holding Provision.

Proposed Zoning By-law Amendment Conclusions

Staff is of the opinion that the proposed Zoning By-law amendment to add Special Regulation Provision 776R represents good planning as it will facilitate the development of a high intensity mixed use development that is compatible with the Urban Growth Centre neighbourhood, which will add visual interest at the street level and skyline, provide enhanced landscaping that will contribute to the streetscape, and which will appropriately accommodate on-site parking needs. The proposed zoning by-law amendment offers an appropriate amount of community benefits in return for the increased density. Staff are supportive of the proposed development and recommend that the proposed Zoning By-law amendment be approved as shown in Appendix "A".

Department and Agency Comments:

Circulation of the OPA and ZBA was undertaken in April 2021 to all applicable City departments and other review authorities. No major concerns were identified by any commenting City department or agency and any necessary revisions and updates were made. Copies of the comments are found in Appendix "C" of this report.

The following Reports and Studies were considered as part of this proposed Official Plan Amendment and Zoning By-law Amendment:

- Planning Justification and Urban Design Brief
Prepared by: GSP Group, November, 2021
- Planning Justification Report
Prepared by: GSP Group, February, 2021
- Community Benefits Package Report
Prepared by: GSP Group, December, 2021
- Functional Site Grading, Servicing and Stormwater Management Report

Prepared by: IBI Group, November 22, 2021

- Sustainability Statement
Prepared by: SRM Architects, November 4, 2021
- Shadow Study
Prepared by: SRM Architects, November 5, 2021
- Wind Study
Prepared by: RWDI, November 5, 2021
- Pedestrian Wind Assessment
Prepared by: SLR, March 23, 2021
- Noise Feasibility Study
Prepared by: HGC Engineering, January 13, 2021
- Landscape Plan
Prepared by: GSP Group, December 2020

Community Input & Staff Responses

Staff received written responses from 34 residents with respect to the proposed development. These may be found in Appendix 'D'. A Neighbourhood Information Meeting was held on June 2, 2021 and a follow up Neighbourhood Meeting to inform residents of the revised development proposal was held on December 14, 2021. In addition, staff had follow up one-on-one correspondence with members of the public. A summary of what we heard, and staff responses are noted below.

What We Heard	Staff Comment
Residents support the development and feel it's the appropriate location for a development of this scale.	Staff received numerous emails in support of the proposed development. As noted in the staff report the location is appropriate as the subject lands are located in the heart of the City of Kitchener's Downtown (Urban Growth Centre) which is planned for significant growth and within close proximity to multiple ION station stops and a planned transit hub at King and Victoria Streets.
Affordable Housing should be Provided.	The original development proposal included bachelor units (300 square feet) that were proposed to be sold at an affordable market rate (\$368,000). The development was revised to transform the bachelor units into five larger 3 bedroom units and the developer is proposing to make a \$300,000 donation to the St. Peter's Lutheran Church, who will use the money towards an affordable housing project in the Downtown area.
Concerns that too many residents in the downtown will result in crowding at Victoria Park.	The developer is proposing to redesign, tender, and reconstruct Francis Green which is located adjacent to the subject property. Francis Green has been identified as an underutilized green space in the Downtown and the redesign, construction and enhancement of the Downtown parkette will provide for an upgraded public urban space. In addition to the parkland enhancements at Francis Green

	to alleviate pressures on downtown public park spaces, the proposed development includes a 7 th floor landscaped 1100 square metre (11840 square foot) amenity terrace as well as 223 square metre (2400 square feet) of indoor amenity area. The City's Parkland Dedication Policy currently excludes parkland dedication in the Downtown.
A 44 storey building is too tall.	The Innovation District land use designation does not have a maximum building height. The proposed height and density are justified and increased density will be achieved through the provision of community benefits. The subject lands are located in the heart of the City of Kitchener's Urban Growth Centre (Downtown), an area planned for significant intensification, which includes multiple high rises that are similar in height and density which are currently built, under construction or planned. The subject lands are within close proximity to multiple major transit station areas. The location of the proposed development of this height and density is appropriate.
The building should be similar in height to what is built now in the downtown.	The City of Kitchener's Urban Growth Centre consists of numerous high-rises that are built or approved to be built ranging from 10 storeys to 44 storeys. Comparable high-rise buildings in height that are built, under construction or proposed include the following developments: DTK (60 Frederick St) - 39 Storeys Charlie West (60 Charles St W) - 31 Storeys 20 Queen Street - 34 Storeys Station Park (607 King St W), 18, 28, 36, 40 and 44 storeys
The buildings podium should match the building height of the Tannery building located across the street.	The proposed development's podium is proposed to match the Tannery building located across the street. Reflecting the height of the Tannery building was an important design element that was considered in the design of the building.
Larger three bedroom units should be provided rather than just all one and two bedroom units.	In direct response to public comments, the applicant has revised the development to include five larger 3 bedroom units. Furthermore five 2 bedroom units with dens are also proposed providing a further range of unit types.
Commercial uses should be oriented along Charles Street West.	In direct response to public comments, the development has been revised to include three commercial units along Charles Street West, which will activate the street frontage.
Traffic concerns along Halls Lane, Victoria Street, and the narrow sidewalks along Victoria Street.	The Region of Waterloo has a reconstruction project planned for Victoria Street in the next few years. With all of the changes occurring in this area, including new and planned mixed-use developments, and the future Transit Terminal, pedestrian considerations will be specifically considered during the planning, design, and implementation of streetscape improvements. City Transportation Services staff will be reviewing the pavement markings and signage on Halls Lane at Victoria in the spring to see if there are improvements that can be made. Limiting access to Halls Lane, or converting the

	laneway to one-way, would not be feasible due to the number of vehicles accessing it, as well as considerations for waste collection and snow removal. Directing vehicle traffic to Halls Lane for access allows for more space along the public street to be used for active uses, rather than parking garage access.
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Planning Conclusions

In considering the foregoing, staff are recommending refusal of the requested Official Plan Amendment as it is no longer required and are recommending approval of the revised Zoning By-law Amendment to permit 30 Francis Street South to be developed with a 44 storey mixed-use building. Staff is of the opinion that the subject application is consistent with policies of the Provincial Policy Statement (2020); conforms to Growth Plan for the Greater Golden Horseshoe, the Regional Official Plan, and the City of Kitchener Official Plan; and represents good planning and is in the public interest. The City of Kitchener's Urban Growth Centre is the place for this level of intensification and the City is using the bonusing tool under Section 37 of the Planning Act to secure community benefits. It is recommended that the Zoning By-law Amendment application be approved.

ALIGNMENT WITH CITY OF KITCHENER STRATEGIC PLAN:

The recommendation of this report supports the achievement of the City's strategic vision through the delivery of core service.

FINANCIAL IMPLICATIONS:

Capital Budget – The recommendation has no impact on the Capital Budget. The improvements proposed to Francis Green will be the full responsibility of 30 Francis Kitchener Incorporated.

Operating Budget – The recommendation has no impact on the Operating Budget.

COMMUNITY ENGAGEMENT:

INFORM – This report has been posted to the City's website with the agenda in advance of the council / committee meeting. Notice signs were posted on the property and information regarding the application was posted to the City's website in the spring of 2021. Following the initial circulation referenced below, an additional Courtesy Notice of the statutory public meeting was circulated to all residents and property owners within 240 metres of the subject lands, those responding to the preliminary circulation and who attended the Neighbourhood Information Meetings. Notice of the Statutory Public Meeting was posted in The Record on February 11, 2022 (a copy of the Notice may be found in Appendix B).

CONSULT – The proposed Official Plan Amendment and Zoning By-law Amendment were circulated to residents and property owners within 240 metres of the subject lands on April 12, 2021. In response to this circulation, staff received written responses from 34 households, which were summarized as part of this staff report. Planning staff also had one-on-one conversations with residents on the telephone and responded to emails.

PREVIOUS REPORTS/AUTHORITIES:

- Planning Act, R.S.O. 1990, c. P.13
- Growth Plan, 2020

- Provincial Policy Statement, 2020
- Regional Official Plan, 2015
- City of Kitchener Official Plan, 2014
- PARTS Central Plan
- City of Kitchener Zoning By-law 85-1

REVIEWED BY: Stevenson, Garrett – Manager of Development Review, Planning Division

APPROVED BY: Readman, Justin - General Manager, Development Services

APPENDIXS:

- Appendix A – Proposed Zoning By-law Amendment
- Appendix B – Newspaper Notice
- Appendix C – Department and Agency Comments
- Appendix D – Public Comments
- Appendix E - Affordable Housing Letter
- Appendix F - Final Development Concept