

Staff Report



Development Services Department

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REPORT TO: Planning and Strategic Initiatives Committee

DATE OF MEETING: April 14, 2025

SUBMITTED BY: Garett Stevenson, Director of Development and Housing Approvals,
519-783-8922

PREPARED BY: Brian Bateman, Senior Planner 519-783-8905

WARD(S) INVOLVED: Ward 8

DATE OF REPORT: March 14, 2025

REPORT NO.: DSD-2025-034

SUBJECT: Official Plan Amendment Application OPA24/014/L/BB
Zoning By-law Amendment Application ZBA24/030/L/BB
288-292 Lawrence Avenue
S&S Stemco Inc. c/o Scott Stemerding

RECOMMENDATION:

That Official Plan Amendment Application OPA/24/014/L/BB for S&S Stemco Inc. c/o Scott Stemerding requesting to change the Urban Structure on Map 2 from 'Industrial Employment Areas' to 'Community Areas' and Land Use on Map 3 from 'General Industrial Employment' to 'Low Rise Residential', be approved, in the form shown in the Official Plan Amendment attached to Report DSD-2025-034 as Attachments 'A1', 'A2', and 'A3'.

That Zoning By-law Amendment Application ZBA24/030/L/BB for S&S Stemco Inc. c/o Scott Stemerding be approved in the form shown in the 'Proposed By-law', and 'Map No. 1', attached to Report DSD-2024-034 as Attachments 'B1' and 'B2'.

REPORT HIGHLIGHTS:

- The purpose of this report is to evaluate and provide a planning recommendation regarding the Official Plan Amendment and Zoning By-law Amendment Applications for the subject lands located at 288-292 Lawrence Avenue. It is planning staff's recommendation that the Official Plan and Zoning By-law Amendments be approved.
- Staff support the land use change from industrial to residential land use at this location to increase the residential density permitted for the subject lands.
- The proposed amendments support the creation of 18 dwelling units.
- 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;

*** This information is available in accessible formats upon request. ***
Please call 519-741-2345 or TTY 1-866-969-9994 for assistance.

- follow up one-on-one correspondence with members of the public;
- Virtual Neighbourhood Meeting held on January 9, 2025;
- Postcard advising of the statutory public meeting was circulated to all residents and property owners within 240 metres of the subject site, those who responded to the preliminary circulation; and those who attended the Neighbourhood Meeting;
- Notice of the public meeting was published in The Record on February 22, 2025.
- This report supports the delivery of core services.
- The applications were deemed complete on November 15, 2024. The Applicant can appeal these applications for non-decision after March 15, 2025.

EXECUTIVE SUMMARY:

The City of Kitchener has received applications to amend the City's Official Plan and Zoning By-law 2019-051 for properties located at 288-292 Lawrence Avenue. The amendments seek to change land use permissions from employment uses to residential uses to permit the development of an 18-unit, 3-storey multiple dwelling with 18 surface parking spaces. While this application seeks to add a more intensive residential use, the subject lands are not currently used for employment purposes.

Staff have assessed the proposed applications and recommend approval based on the policy direction of the PPS, assessment of the City's/Region's conversion policies the rationale provided by the applicant, the proximity of and intermixing of existing low rise residential land use along sections of Lawrence Avenue and existing infrastructure to support a change of land use at this location.

BACKGROUND:

The Provincial Planning Statement, Regional Official Plan (ROP) and Kitchener Official Plan (KOP) all have policy direction to ensure the long term protection of employment lands through different policy directives.

The former Provincial Policy Statement (replaced by Provincial Planning Statement) previously required that employment land conversions could only be considered through a Municipal Comprehensive Review (MCR) and not via applicant-initiated amendment. The ROP and KOP (supported by the Comprehensive Review of Employment Lands (CREL) background study) also require a MCR to consider the conversion.

On April 6, 2023, the Province introduced the *Helping Homebuyers, Protecting Tenants Act (Bill 97)*. Among many other changes, Bill 97 amends the definition of "area of employment" in the Planning Act, which now means *an area of land designated in an Official Plan for clusters of business and economic uses*. The Planning Act goes on to describe that business and economic uses include uses like manufacturing, research and development in connection with manufacturing; warehousing/goods movement; associated retail uses. Further, the Planning Act states that if an institutional or commercial use (including retail and office) are currently permitted uses in an Official Plan and designated as employment land, those areas are no longer areas of employment and as such are allowed to be considered for other uses, through site specific applications.

The definition of “area of employment” in Bill 97 came into effect on October 24, 2024, to align with the Provincial Planning Statement (PPS 2024) which came into effect on October 20, 2024. The PPS 2024 updates the *employment area* definition as “*those areas designated in an official plan for clusters of business and economic activities including manufacturing, research and development in connection with manufacturing, warehousing, goods movement, associated retail and office, and ancillary facilities. An employment area also includes areas of land described by subsection 1(1.1) of the Planning Act. Uses that are excluded from employment areas are institutional and commercial, including retail and office not associated with the primary employment use listed above.*”

Due to the above-mentioned changes, site specific Official Plan Amendment and Zoning By-law Amendment applications can now be considered by the City that seek to permit new non-employment uses (e.g., residential, commercial or institutional) in Kitchener’s employment areas. A MCR is no longer required, but the KOP provides relevant conversion policies that should be assessed for any such amendment request.

REPORT:

The subject property is comprised of and municipally addressed as 288-292 Lawrence Avenue, Kitchener and known legally as PT Lot 72 Pt Lot 73 Lot 74, Plan 786 Kitchener. It is 0.5 hectares in size. The location of the subject property is shown on Map 1. The subject property is located on Lawrence Avenue between Highland Road (to the south) and Victoria Street (to the north). The site is located to the northeast of the intersection of Lawrence Avenue and Paulander Drive.



Photo 1 – Streetview of 288 and 292 Lawrence Avenue



Map 1: Location of Subject Site

The broader neighbourhood contains a mix of low and medium density residential uses as well as some institutional uses including a healthcare facility, place of worship, as well as neighbourhood scale commercial uses along Lawrence Avenue and Paulander Drive. The site is adjacent to several single detached dwellings to the south and east of the subject property. Moreover, the site is in close proximity to several medium density land uses, including townhouse dwellings located at 265 Lawrence Avenue to the south and at 29 Paulander Drive to the west as well as an apartment building located at 43 Montrose Avenue, which is adjacent to the rear lot line of the subject lands. The variety of land use is depicted in Map 2 below.



Map 2 – Context

(source – Up Consulting)

<u>Identifier</u>	<u>Description</u>
A	Subject property
B	Hospice Waterloo Region, Hospice Family Centre
C	Townhouses (265 Lawrence)
D	Detached residential dwellings
E	Ismaili Community Centre
F	Edgewood residential neighbourhood
G	Multi-tenant commercial building
H	Townhouses (29 Paulander)
I	Belmont Park
J	Multi-tenant commercial building
K	Convenience store/plaza
L	Multiple Dwelling building (43 Montrose)

The Highland Road commercial shopping area is within walking distance. Several parks are nearby, including Belmont Park (immediately to the east); Victoria Park (1.2 km west), Lakeside Park (1.3 km southwest), Concordia Park (2 km south), and Meinzinger Park (2.2 km southwest). The subject property is located within a two (2) minute walk to a GRT bus stop (route 20), which provides a direct connection to the Central Station ION Stop on the intersection of Victoria Street and King Street. It is also located within a five (5) minute walk to another GRT Bus Stop (route 204), which provides direct connections to Downtown Kitchener and the Boardwalk.

Development Proposal

The conceptual site plan and front building elevations (facing Lawrence Avenue) are shown below in Figures 1 and 2, respectively. These were prepared by SRM Architects and included as part of the complete application submission. The applicant is proposing to

develop the subject lands with a three (3) storey rental apartment building/multiple dwelling.

In total, the applicant is proposing 18 one-bedroom dwelling units. Access to the development is proposed via a drive aisle located on the north side of the property, which will lead to eighteen (18) surface parking spaces at the rear of the site. Six (6) of these parking spaces will be located partially below the upper floor building line, with the remaining twelve (12) provided as open-air parking spaces. One (1) barrier free accessible parking stall is proposed (Type A). An outdoor amenity space is shown located by the rear lot line, and an indoor amenity space is proposed on the ground floor. A bike storage room containing a total of 18 bicycle parking stalls is also proposed on the ground floor.

Two existing dwellings are proposed to be demolished to facilitate the redevelopment of the lands. The owner is seeking to increase the residential intensity of the property. There are no employment uses on the property.

Presently there are three (3) tenants who reside in existing residential dwellings located on the subject lands. The owner advises that one of the tenants has plans to move out of the province in the near term. The other two tenants are on month-to-month leases. The owner has committed to providing 6-8 months' notice to each of the tenants prior to terminating their leases and starting construction. The Owner has also committed to providing the first right of refusal to the existing tenants once the new building is completed and will provide relocation support. The City's Rental Replacement By-law does not apply as there are less than six existing dwelling units on the subject lands.

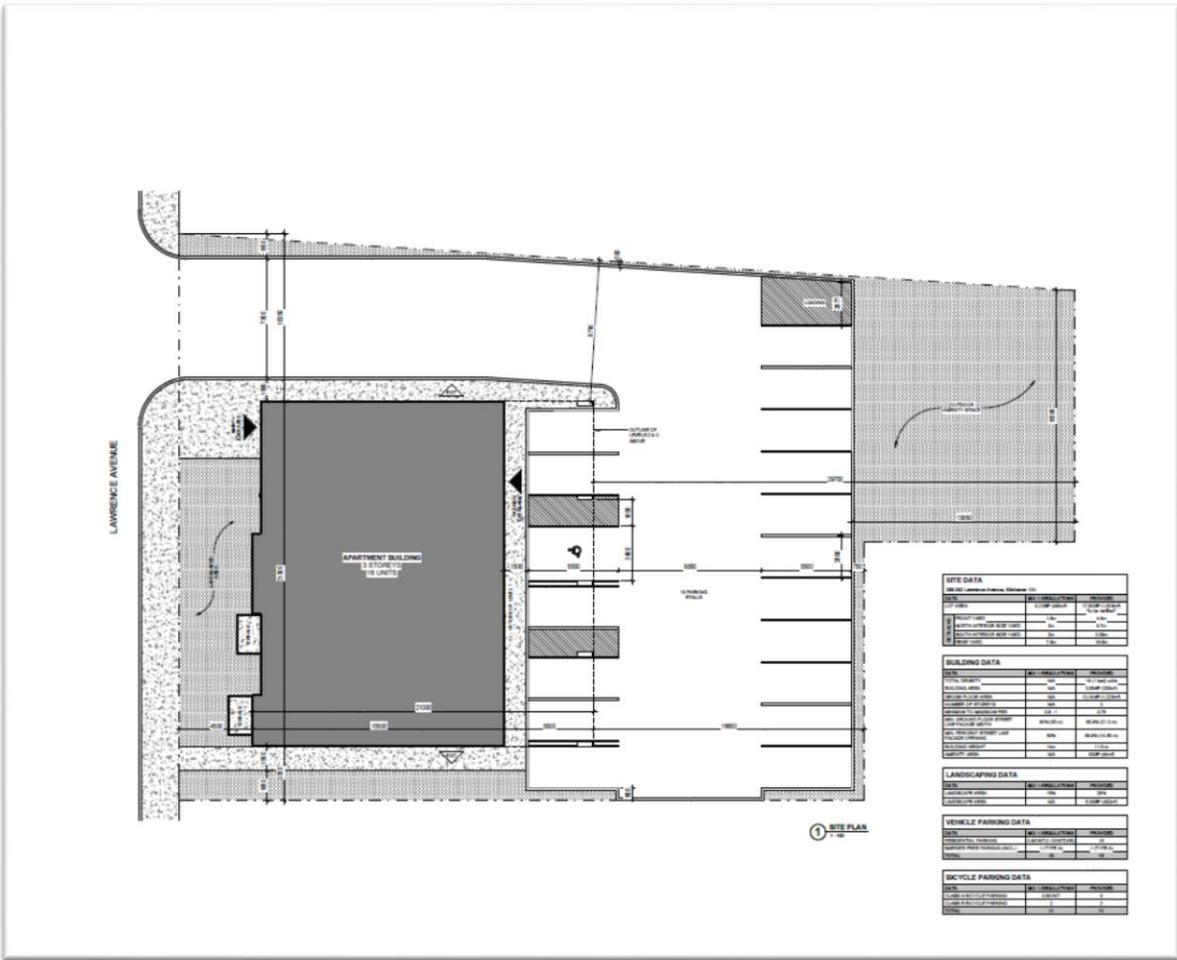


Figure 1 – Conceptual Site Plan



Figure 2 – Proposed Building Elevations

REPORT

Planning Act, R.S.O. 1990, c. P.13 25.

Section 2 of the Planning Act establishes matters of provincial interest and states that the Minister, the council of a municipality, a local board, a planning board and the Tribunal, in carrying out their responsibilities under this Act, shall have regard to, among other matters, matters of provincial interest such as:

- f) The adequate provision and efficient use of communication, transportation, sewage and water services and waste management systems;
- g) The minimization of waste;
- h) The orderly development of safe and healthy communities;
- j) The adequate provision of a full range of housing, including affordable housing;
- k) The adequate provision of employment opportunities;
- p) The appropriate location of growth and development;
- q) The promotion of development that is designed to be sustainable, to support public transit and to be oriented to pedestrians;
- r) The promotion of built form that,
 - (i) Is well-designed,
 - (ii) Encourages a sense of place, and
 - (iii) Provides for public spaces that are of high quality, safe, accessible, attractive and vibrant;
- s) The mitigation of greenhouse gas emissions and adaptation to a changing climate.

As noted above, Bill 97 amended the definition of “area of employment” in the Planning Act, which now means *an area of land designated in an Official Plan for clusters of business and economic uses*. The Planning Act goes on to describe that business and economic uses include uses like manufacturing, research and development in connection with manufacturing; warehousing/goods movement; associated retail uses. Further, the Planning Act states that if an institutional or commercial use (including retail and office) are currently permitted uses in an Official Plan and designated as employment land, those areas are no longer areas of employment and as such are allowed to be considered for other uses, through site specific applications.

These matters of provincial interest are addressed and are implemented through the Provincial Planning Statement, 2024, as it directs how and where development is to occur. The City’s Official Plan is the most important vehicle for the implementation of the Provincial Planning Statement, which is currently under review (*Kitchener 2051*).

Provincial Planning Statement (PPS) 2024:

The Provincial Planning Statement (PPS 2024) encourages the development of livable communities. It also provides a framework for planning authorities to ensure the wise use of resources while protecting Ontario’s long-term prosperity and environmental and social well-being. It directs growth to built-up areas and promotes a mix of land uses that efficiently use resources, minimize negative environmental impacts, and support active transportation and transit use. As noted in the previous section, the definition of area of employment has narrowed in scope which would now exclude this section of Lawrence Avenue as existing permitted land uses include office. The Planning Act states that if an institutional or commercial use (including retail and office) are currently permitted uses in

an Official Plan and designated as employment land, those areas are no longer areas of employment and as such are allowed to be considered for other uses, through site specific applications. Consequently, Section 2.8.2.5 of the PPS would not apply to 288-292 Lawrence Avenue. Notwithstanding, the Region's/City's existing conversion policies shall apply until such time as the City prepares its new Official Plan.

Consideration of Provincial Legislation:

The existing Lawrence Avenue land use permissions permit limited retail and office and would therefore no longer qualify as an area of employment as defined in the Planning Act. As such, these applications for 288 and 292 Lawrence Avenue may be considered by the City of Kitchener.

Due to the above-mentioned changes, site specific Official Plan Amendment and Zoning By-law Amendment applications can now be considered that seek to permit new non-employment uses (e.g., residential, commercial or institutional) in an employment area. A MCR is no longer required, but the KOP provides relevant conversion policies that should be assessed for any such amendment request.

Policy 2.8.1.1 of the PPS 2024 requires the assessment of compatibility in instances where sensitive uses are proposed in proximity to industrial land uses. The Planning Justification Report (PJR) prepared by Up Consulting (dated September 18, 2024) reviews applicable policies from the Provincial Policy Statement 2020, which was in force until October 20, 2024. The PPS documents and this application provide an emphasis on intensification within a designated built-up area on serviced land, support an increase to the range and mix of housing in the City of Kitchener (in this case, purpose-built rental units), and promote use of alternative modes of transportation to private automobiles (through the provision of limited parking and proximity to pedestrian infrastructure and transit options).

Given proximity to general industrial uses, land use compatibility is assessed in Land Use Compatibility Report (prepared by Up Consulting, dated September 3, 2024), Planning staff are in general agreement with the findings of the study. Compatibility with existing industrial and sensitive (residential) uses nearby is also addressed by the Noise Study, which is discussed in the ROP section below.

Applications proposing to introduce non-employment uses (e.g. residential) on lands designated "General Industrial" or "Business Park" are no longer subject to an MCR. Despite this, Official Plan policies (Region and City) encourage the planning and retention of employment areas that are regionally significant and locally significant. While conversion of employment areas to non-employment uses can be considered through site specific amendments, it is not a foregone conclusion that residential or other non-employment uses are always the best of use these lands. Planning staff acknowledge that while a MCR is no longer required, it is appropriate to evaluate the proposed applications against the policy direction in the ROP and KOP for employment land conversions to determine the appropriateness of the requested land use change.

Regional Official Plan (ROP):

Bill 23, *More Homes Built Faster Act, 2022*, introduced significant changes to the Planning Act to streamline the development process and increase housing supply across the

province. Planning responsibilities from the Region of Waterloo have been transferred to the City of Kitchener and other area municipalities as of January 1, 2025. As a result, the Region no longer has a ROP as it is now an Official Plan for area municipalities who are responsible for implementation of the ROP until it is repealed or amended through a future Area Municipal planning exercise. For purposes of these applications, Regional staff have provided their comments on the subject applications prior to January 1, 2025 which have been consideration in the formation of the planning recommendation of the subject applications.

The subject lands are designated 'Urban Area' and 'Delineated Built-Up Area' in the ROP. Section 1.6 of the ROP establishes the Regional Planning Framework and Section 2.B.1 and 2.C establish policies for the Urban System. Section 2.F establishes policies and intensification targets within the Delineated Built-Up Area, which is set at 60 percent annually for the City of Kitchener. Development in the Built-Up Area is intended to provide gentle density and support the achievement of 15-minute neighbourhoods.

ROP policies are reviewed in section 4.d of the Planning Justification Report submitted by the applicant. The proposed application provides for residential density in a compact mid-rise built form that will contribute to the achievement of Kitchener's intensification target for the Delineated Built-Up Area, while providing housing types not widely available in the immediate neighbourhood (one-bedroom and live/work units). The development is also located in proximity to a range of commercial and employment land uses and is appropriately located in proximity to two corridors well-served by transit (Victoria Street South and Highland Road West), as well as the Henry Sturm Greenway.

Policies that relate to land conversion from employment to non-employment are found in 2.H.1.12 of the ROP. According to the ROP, the Region, in collaboration with the area municipalities, may permit conversion of lands within existing *employment areas* to non-employment uses only through a *municipal comprehensive review* (MCR) of this Plan where it has been demonstrated that:

- a) there is a need for the conversion;
- b) the lands are not required over the horizon of this Plan for employment purposes for which they are designated;
- c) the affected area municipality will maintain sufficient employment lands to accommodate the forecasted employment growth allocated to in Table 1 of this Plan;
- d) the proposed uses will not adversely affect the overall viability of the employment area, or the achievement of the minimum intensification and density targets and other policies in this Plan; and
- e) there are existing or planned infrastructure and public service facilities to accommodate the proposed uses.

Staff's analysis is as follows:

- a) Lawrence Avenue contains a mixture of commercial, institutional, retail, industrial commercial, residential and office uses. The subject lands currently are used for residential purposes and surrounding area are predominantly residential. Having a more intense residential use at this location will not compromise existing

employment uses, as demonstrated by the land use compatibility study. Moreover, this application is a request to increase the intensity of an existing residential use.

- b) The lands are not required over the horizon of the Plan for employment needs as they are not identified as 'Employment Areas' on Map 3 of the ROP. None of Kitchener's local employment lands are required to achieve long term employment forecasts. However, Kitchener's local employment lands play a role in neighbourhood scale employment opportunities.
- c) While sufficient inventory of designated Employment Areas are identified on Map 3, which do not include Lawrence Avenue, Local Employment Lands (LELs) serve as locations for employment uses. The ROP identified LELs as contributing to local long-term employment opportunities, but not necessarily the industrial and warehousing jobs typical of employment lands. Specifically, consideration for the following ROP policies is required when considering these applications:

2.H.1.14 The Region supports and encourages area municipalities to identify and designate local employment lands outside of the employment areas designated on Map 3, and to develop policies to protect these lands for employment uses over the long-term.

2.H.1.15 Where a development application is submitted to redevelop any local employment lands located outside of the employment areas designated on Map 3, the Region encourages the area municipality to retain space for a similar number of jobs to remain accommodated on the site.

Lawrence Avenue is an LEL. Kitchener's LELs are being comprehensively reviewed as part of Kitchener 2051. Currently, applications for the conversion of LELs to non-employment uses may be considered through site-specific applications. While the ROP encourages the City to plan for LEL's long term retention for employment where appropriate, it is important to review specific locational criteria in the review of these applications to evaluate any long-term impacts to employment lands.

- d) The proposed use is an intensification of existing residential uses. An intensification of residential uses in this location was considered through the Compatibility Study undertaken by the applicants which demonstrated no impact on the continued viability of the surrounding employment lands. The proposed conversion will not negatively affect achieving minimum density and intensification targets, and
- e) There is existing/planned infrastructure including transit, parks, and shopping nearby to accommodate the proposed non-employment use.

In addition, Chapter 3 of ROPA 6 establishes policies for housing in the Region – the provision of the proposed unit types in the development meets the policy intent of section 3.A. Overall, Regional staff are satisfied that these applications conform to the ROP.

Given proximity to existing general industrial operations, land use compatibility was assessed in a Land Use Compatibility Report (prepared by Up Consulting, dated September 3, 2024). This has been reviewed by staff and in summary staff are in general agreement with the findings of the study. Compatibility with existing industrial and sensitive (residential) uses nearby was further examined in a Noise Study, which is discussed below.

Regional Planning staff have received the Noise Study prepared in support of this application entitled Noise Feasibility Study, 288-292 Lawrence Avenue Development, prepared by GRIT Engineering Inc. (dated July 17, 2024). In accordance with the recommendations of the study, Regional staff note that the installation/provision of central air conditioning and inclusion of the following noise warning clause in all agreements and offers of purchase and sale, lease/rental agreements, and a future condominium declaration (as applicable) should be secured in a registered development agreement between the owner/developer and the City of Kitchener:

“This dwelling unit has been designed with the provision for adding central air conditioning at the occupant’s discretion. Installation of central air conditioning by the occupant in low and medium density developments will allow windows and exterior doors to remain closed, thereby ensuring that the indoor sound levels are within the sound level limits of the Municipality and the Ministry of the Environment.”

In addition, and as identified in the study, a detailed noise study addressing final design of the site and its impact on surrounding sensitive land uses and itself should be prepared prior to site plan approval. Staff recommend that a Holding Provision be applied to the subject lands in order to require this updated study, with the following suggested wording:

That a holding provision shall apply to the entirety of the subject lands until a satisfactory detailed stationary noise study has been completed and implementation measures addressed to the satisfaction of the City of Kitchener. The detailed stationary noise study shall review the potential impacts of noise (e.g. HVAC systems) on the sensitive points of reception and the impacts of the development on adjacent noise sensitive uses.

A Record of Site Condition (RSC) is required due to the presence of a medium-risk potential threat of contamination in the Threats Inventory Database on the subject lands (associated with a previous use of the lands – Peerless Turf Care Inc.). In addition, there are medium-risk threats located on the adjacent lands at 298 Lawrence Avenue.

A Holding Provision is proposed to be implemented through the implementing amending zoning by-law requiring the submission of the RSC and MECP Acknowledgement Letter to the City’s satisfaction.

City of Kitchener Official Plan (KOP), 2024.

Complete Community

A complete community creates and provides access to a mix of land uses, including a full range and mix of housing, including affordable housing, recreation, commerce, community and cultural facilities, health care facilities, employment, parks and open spaces distributed and connected in a coherent and efficient manner. A complete community also supports the use of public transit and active transportation, enabling residents to meet most of their daily needs within a short distance of their homes. Kitchener will be planned as a complete community that creates opportunities for all people to live, work, and interact within close proximity. Planning for a complete community will aid in reducing the cost of infrastructure and servicing, encourage the use of public transit and active modes of transportation, promote social interaction, and foster a sense of community.

Urban Structure

The Official Plan establishes an Urban Structure, shown on Map 2, for the City of Kitchener and provides policies for directing growth and development within this structure. The subject properties are identified as 'Industrial Employment Areas' in the City's Urban Structure (Official Plan Map 2).

The planned function of 'Industrial Employment Areas' is to support and maintain economic activity in the City by providing an adequate supply of land for a range of industrial-related employment uses and appropriate accessory and ancillary uses. Employment growth and intensification are anticipated and encouraged within Industrial Employment Areas. Industrial Employment Areas will be protected from non-employment uses that would destabilize their planned function in accordance with policies in Section 15.D.6. For the purposes of Policy 15.D.6.5, residential, institutional, non-ancillary commercial, non-ancillary retail and major retail will be considered a non-employment use and any conversion to such uses use will require a MCR.

Official Plan policy 5.C.1.4. states that "*lands designated for Industrial Employment are critical to the local economy and are anticipated to accommodate a significant share of employment growth to 2031 and beyond. Policies 15.D.6.5 through 15.D.6.7 inclusive address the protection of industrial employment areas from conversion to non-employment uses.*"

Due to the above-mentioned legislative changes, Lawrence Avenue lands are not considered an area of employment however they remain a LEL. Site specific Official Plan Amendment and Zoning By-law Amendment applications can be considered that seek to permit new non-employment uses (e.g., residential, commercial or institutional) on LELs. A MCR is no longer required, but the KOP provides relevant conversion policies that should be assessed for any such amendment request.

It is Planning staff's recommendation that it is appropriate to evaluate the subject application in consideration of KOP policies 15.D.6.5 through 15.D.6.7, as follows:

- 15.D.6.5. *A conversion of an industrial employment area to a non-employment use, which includes any use not otherwise permitted in the industrial employment area designations of this Plan, may only be permitted through a municipal comprehensive review where it has been demonstrated that:*
- a) there is a need for the conversion;*
 - b) the conversion will not compromise the City's ability to meet the employment forecasts of this Plan as allocated by the Region and further defined in the City's Comprehensive Review of Employment Lands Study;*
 - c) the conversion will not adversely affect the overall viability of the industrial employment area and achievement of other density targets set out in this Plan and will not impact the ability of adjacent industrial employment areas to be used or continue to be used for employment purposes;*

- d) *there is existing or planned infrastructure to accommodate the proposed conversion;*
- e) *the lands are not required in the long term for the employment purposes for which they are currently designated; and,*
- f) *cross-jurisdictional issues have been considered.*

15.D.6.6. *For the purposes of Policy 15.D.6.5:*

- a) *residential, institutional, non-ancillary commercial, non-ancillary retail and major retail will be considered a non-employment use and any conversion to such uses use will require a municipal comprehensive review;*
- b) *for the purposes of this Policy, major retail will mean a development having a collective minimum retail gross floor area of 5,000 square metres or greater and any freestanding building or individual retail outlet in a multi-unit building within the development cannot exceed 2,500 square metres in gross floor area;*
- c) *the addition of any non-employment uses constitutes a conversion.*

15.D.6.7. *Proposals to convert from one industrial employment area land use designation to another industrial employment area land use designation may be permitted provided that a sufficient and adequate supply of industrial employment area in each category remains and that the conversion to another industrial employment area land use designation does not adversely impact any adjacent sensitive land uses and will not compromise the function and ability of the industrial employment areas to continue to be used for the purposes originally contemplated under this Plan*

In addition to the ROP policies discussed above, consideration for the local context is important. Similar KOP policies 15.D.6.5 through 15.D.6.7 also address employment land conversions. Planning staff can recommend approval for the following reasons:

- a) Lawrence Avenue contains a mixture of lands uses and the amendment to the Official Plan requested is a request to increase the intensity of an existing residential use through a land use designation change. A more intense residential use at this location will not compromise existing employment uses, as demonstrated by the land use compatibility study. The size of the subject lands lends themselves to a medium density residential use and would likely be too small for the full range of employment uses.
- b) The subject lands are not required over the horizon of the KOP for employment needs. None of Kitchener's LELs are required to achieve long term employment forecasts. However, Kitchener's LELs play a role in neighbourhood scale employment opportunities. Kitchener's LELs are being comprehensively reviewed as part of Kitchener 2051. Currently, applications for the conversion of LELs to non-employment uses may be considered through site-specific applications.
- c) Intensified residential uses will not adversely affect the overall viability of existing adjacent operations that continue to be used for employment uses as evidenced by the Compatibility Study. Kitchener's LELs play a role in neighbourhood scale employment opportunities. The proposed applications seek a more intense residential use at this location will not compromise existing employment uses.

- d) There is existing infrastructure including bus transit, parks, and shopping nearby to accommodate the proposed intensified residential use.
- e) The subject lands are not required in the long term for employment purposes because they are not identified as Employment Areas on Map 3 of the ROP. Sufficient inventory of designated Employment Areas does not include Lawrence Avenue. Applications for conversion of LELs to non employment uses may be considered as LELs contribute to local long-term employment opportunities, but not necessarily the industrial and warehousing jobs typical of employment lands.
- f) Any applicable cross-jurisdictional issues have been considered.

The applicant is proposing to change the urban structure element for 288-292 Lawrence Avenue from 'Industrial Employment Areas' to 'Community Areas' to permit a more intensive residential use as well as non-residential supporting uses intended to serve the immediate residential areas. The proposed 'Low Rise Residential' land use designation is appropriate to implement the 'Community Areas' urban structure element, as discussed in the following paragraphs.

Existing and Proposed Land Use

The subject properties, 288 and 292 Lawrence Avenue, are designated 'General Industrial Employment' on Map 3 (Land Use) of the City of Kitchener Official Plan.

The General Industrial Employment designation permits a wide range of light industrial uses along with recognizing existing residential within those older mixed industrial and residential areas of the city. New residential uses are generally discouraged particularly in those industrial areas that are identified protected employment areas. Lawrence Avenue is no longer a protected employment area. Conversion does not require an MCR. However, until new policies are introduced through Kitchener 2051, conversion policies under the existing ROP and City's 2014 Official Plan will apply as noted previously.

The proposed land use designation is 'Low Rise Residential'. The 'Low Rise Residential' designation permits a full range of low-density housing types which may include single detached dwellings, additional dwelling units (attached and detached), semi-detached dwellings and other forms of low-rise housing including 3 storey multiple dwellings. Staff support this designation for the following reasons:

- a) A 3-storey multiple dwelling is a compatible and complimentary building form. The surrounding existing residential areas are comprised of singles, semis, townhouses and multiple dwellings;
- b) The conceptual plan showing a 3-storey multiple dwelling with 18 parking spaces can be accommodated on the subject lands in accordance with zoning regulations and urban design manuals guidelines and standards;
- c) While the subject lands are not needed to meet the City's residential intensification targets, the proposal provides a more intense residential density in a compact mid-rise built form that will contribute to complete communities by providing housing types not widely available in the immediate neighbourhood (one-bedroom and live/work units). While not all LELs are appropriate uses, these applications seek to intensify an existing residential permission;

- d) Infrastructure already exists at this location to support residential intensification, including Belmont Park, public transit on Victoria Street and Highland Road and shopping located nearby and within walking distance; and
- e) In consideration of the land use compatibility study, a more intense residential use will not in the opinion of staff, impair the planned function of the area for nearby existing employment uses.

Urban Design

The City's urban design policies are outlined in Section 11 of the City's Official Plan. As part of the site plan approval process, staff will review the proposed development to ensure the design meets the intent of these policies, specifically: Streetscape; Safety; Universal Design; Site Design; and Building Design. The proposed conceptual site plan will be subject to these policies. A full site plan was not required at the time of the submission of the Official Plan Amendment and Zoning By-law Amendment Applications but will be required to be submitted later should the land use applications be approved.

Transportation Policies:

The Official Plan supports an integrated transportation system that 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 objective of the Transportation policies in the Official Plan is to develop, support and maintain a complete, convenient, accessible, and integrated transportation system that incorporates active transportation, public transit and accommodates vehicular traffic. Additionally, secured and visitor bicycle parking will be required as part of the Zoning By-law.

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.

Sustainable development initiatives will be further explored at the Site Plan Application stage.

Proposed Official Plan Amendment Conclusions

The Official Plan Amendment Application requests that the Urban Structure of the lands identified on Map 2 as 'Industrial Employment Areas' be changed to 'Community Areas', and the land use designated on Map 3 as 'General Industrial Employment' be changed to 'Low Rise Residential'.

Based on the planning analysis, Planning staff are of the opinion that the proposed Official Plan Amendment Application represents good planning as the proposal represents a more intensive residential use on an existing residential property within an area characterized as mixed-use despite the Industrial land use designation. Notwithstanding, the Region/City's conversion policies apply even though a MCR is no longer required. Planning staff are satisfied that conversion consideration required by ROP and KOP policies have been adequately evaluated and recommend that the proposed Official Plan Amendment be approved in the form shown in Attachments 'A1', 'A2' and 'A3'.

Proposed Zoning By-law Amendment (2019-051):

The subject lands are zoned 'EMP-1: Neighbourhood Industrial Employment Zone' which does not permit a multiple dwelling. Only existing residential uses are permitted in the EMP-1 zone. To implement the proposed Low Rise Residential Land Use Designation, an amendment to Zoning By-law 2019-051 is required to change the zoning from 'EMP-1: Neighbourhood Industrial Employment Zone' to 'RES-5: Low Rise Residential Five Zone'. A Site-Specific Provision (418) and Holding Provision (103H) have been added to reflect the site-specific nature of the proposal and to ensure final noise considerations and Record of Site conditions have been achieved.

Site Specific Provision (418)

- a) A minimum parking rate of 1 *parking space per dwelling unit* inclusive of visitor parking.
- b) *Artisan's establishment, Daycare Facility, Personal Services, Office, Community Facility and Studio* are permitted uses and shall only be permitted within a *multiple dwelling* in accordance with the regulations in Table 7-6.
- c) Geothermal wells are prohibited.
- d) A maximum *Floor Space Ratio* of 0.75.

One (1) parking space per dwelling unit

The conceptual plan shows 18 surface parking spaces which equates to 1 parking space per dwelling unit inclusive of a 10% visitor parking rate. The Zoning By-law requires 1 parking space per dwelling unit plus 0.1 or 10% of the required parking for visitor parking for a parking rate of 1.1 spaces per unit. The requested rate of 1.0 parking space per dwelling unit is acceptable to staff given proximity to public transit on Victoria and Highland and commercial area along Highland Road that is within walking distance.

Artisan's establishment, Daycare Facility, Personal Services, Office, Community Facility and Studio

Although not specifically requested by the applicant, staff feel there is an opportunity - given the surrounding context and location - to permit a wider range of non-residential uses as part of a mixed-use building should one be considered. These uses would only be contemplated on the ground floor within a multiple dwelling and could contribute jobs to

the LELs in conjunction with the residential use. Official Plan policies 15.D.3.27 and 15.D.3.28 provide direction and support in this regard. 15.D.27 states that *the City will support the integration of non-residential land uses, which are complementary and serve the needs of residents, at appropriate locations in the residential land use designations to support the development of a walkable and complete community. Within the Residential land use designations, individual properties will be zoned to achieve an appropriate mix of uses that are compatible with the surrounding residential neighbourhoods. Appropriate locations are determined through 15D.3.28 a)-h).* Staff opine this location satisfies the locational criteria, but the size of the property and proximity to other businesses in the area limit the full range of uses that could otherwise be considered.

Geothermal well prohibited.

As the subject lands are within a Source Water Protection Area, the Region requires that geothermal wells are to be prohibited. This is to protect our groundwater resource from possible contamination.

Floor Space Ratio of 0.75

This is to accommodate the proposed building floor area in relation to the lot area, the Floor Space Ratio (FSR) is proposed to be 0.75, which is greater than the 0.6 stipulated in the Zoning By-law but does not require an Official Plan Amendment because the Official Plan allows for increases in FSR up to 0.75 without an amendment.

Holding Provision (103H)

- a) That a holding provision shall apply until a satisfactory detailed stationary noise study has been completed and implementation measures addressed to the satisfaction of the City. The detailed stationary noise study shall review the potential impacts of noise (e.g. HVAC systems) on the sensitive points of reception and the impacts of the development on adjacent noise sensitive uses.
- b) That a holding provision shall apply until a satisfactory Record of Site Condition (RSC) has been submitted to the Ministry of Conservation and Parks, and that the Record of Site Condition and Ministry Acknowledgment Letter are provided to the City.

A Holding Provision has been requested by the Region in relation to stationary noise and an RSC. These matters will need to be addressed at the site plan stage, and the holding provision lifted through a future by-law amendment prior to final approval of a site plan application.

Zoning By-law Amendment Conclusions

Staff recommend approval to change the zoning from EMP-1: Neighbourhood Industrial Employment Zone' to 'RES-5: Low Rise Residential Five Zone' with Site-Specific Provision (418) and Holding Provision (103H) in the form shown in Attachments 'B1' and 'B2'. This is necessary to implement the development proposal under consideration while ensuring final noise and RSC considerations are addressed prior to granting final approval for it to proceed to construction.

Department and Agency Comments:

Circulation of the Official Plan Amendment and Zoning By-law Amendment Applications was undertaken to all applicable City departments and other review authorities. There were no concerns with the applications. Copies of the comments are found in Attachment 'D' of this report.

Community Input & Staff Responses

Staff received written responses from 2 residents with respect to the proposed development. No major concerns were cited. These are included in Attachment 'E'. A virtual Neighbourhood Meeting was held on January 9, 2025. A summary of what we heard is noted below.

WHAT WE HEARD



Two (2) people provided written comments.



A City-led virtual Neighbourhood Meeting held on January 9, 2025, and approximately 5 different users logged on.



564 households (occupants and property owners) were circulated and notified.

The two comments received expressed concern related to the loss of trees and wildlife, and suggested the need to replant native species of/for trees, a community garden, providing affordable units, and additional bicycle parking spaces to the development plan and secure indoor parking facility/room for bicycles with 24/7 access for residents

Staff will explore many of these concerns/suggestions with the applicant through a future site plan application process. At this stage, we are assessing primarily land use considerations (i.e. is residential appropriate and why). The applicant has committed to providing a minimum of 18 bicycle spaces or 1 per unit which exceeds 0.5 Class A spaces required through zoning, and re-planting plans can be explored through detailed design. Staff's understanding is that the 18 one-bedroom units will be rental, and the addition of these units will assist in meeting the City's housing target that will provide for a continuum of housing.

Planning Conclusions

In considering the foregoing, staff are supportive of the proposed Official Plan Amendment and Zoning By-law Amendment Applications to permit 288-292 Lawrence Avenue to be re-developed with a 3-storey, 18 unit multiple dwelling with 18 surface parking spaces. Staff are of the opinion that the subject applications seeking to increase the intensity of the residential use are consistent with policies of the Provincial Planning Statement, conform

to the Regional Official Plan, and the City of Kitchener Official Plan and represent good planning. It is recommended that the applications be approved.

STRATEGIC PLAN ALIGNMENT:

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.

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. A large notice sign was posted on the property and information regarding the application was posted to the City's website in September 2024. Following the initial circulation referenced below, an additional postcard advising 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 Meeting. Notice of the Statutory Public Meeting was also originally posted in The Record on February 22, 2025, and re-posted on March 18, 2025, for the April 14, 2025, PSIC (a copy of the Notice is in Attachment 'C').

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 in September 2024. In response to this circulation, staff received written responses from 2 members of the public. One virtual neighbourhood meeting was held.

PREVIOUS REPORTS/AUTHORITIES:

- *Planning Act, R.S.O. 1990, c. P.13*
- *Provincial Planning Statement, 2024*
- *Region of Waterloo Official Plan*
- *City of Kitchener Official Plan, 2014*
- *City of Kitchener Zoning By-law 2019-051*

REVIEWED BY: Malone-Wright, Tina – Manager of Development Approvals, Development and Housing Approvals Division

APPROVED BY: Readman, Justin– General Manager, Development Services Department

ATTACHMENTS:

Attachment A1, A2 and A3 – Proposed Official Plan Amendment
Attachment B1 and B2 – Proposed Zoning By-law Amendment
Attachment C – Newspaper Notice
Attachment D – Department and Agency Comments
Attachment E – Public Comments