





Committee of the Whole **REPORT TO:**

DATE OF MEETING: May 26, 2025

Rosa Bustamante, Director, Planning and Housing Policy & **SUBMITTED BY:**

City Planner, (519) 783-8929

PREPARED BY: Carrie Musselman, Senior Environmental Planner, (519) 783-8940

Ward 3 WARD(S) INVOLVED:

DATE OF REPORT: May 15, 2025

REPORT NO.: DSD-2025-225

SUBJECT: Addendum Report to DSD-2024-292 - Hidden Valley Land Use

Implementation Project – Official Plan Amendment OPA24/005/K/CM

and Zoning By-law Amendment ZBA24/008/K/CM

RECOMMENDATION:

That City Initiated Official Plan Amendment OPA24/005/K/CM, for the purpose of implementing recommendations contained within the Hidden Valley Land Use Implementation Project, including amendments to mapping and text amendments, be approved, in the form shown in the Official Plan Amendment attached to Report DSD-2024-292 as Attachment 'A'; and,

That City Initiated Zoning By-law Amendment Application ZBA24/008/K/CM to amend Zoning By-law 2019-051, be approved in the form shown in the "Proposed By-law" attached to Report DSD-2024-292 as Attachment 'B'; and,

That the Hidden Valley Residential Community Plan (as approved June 14, 1990) and Hidden Valley Industrial Community Secondary Plan (as approved October 19, 1981) be repealed in their entirety; and further,

That pursuant to Section 34(17) of the Planning Act, R.S.O. 1990, c. P. 13, as amended, that further notice is not required to be given in respect to minor changes made to Official Plan Amendment OPA24/005/K/CM and Zoning By-law Amendment ZBA24/008/K/CM.

REPORT HIGHLIGHTS:

- The purpose of this report is to:
 - Respond to matters raised at the January 27, 2025, statutory public meeting.
 - Recommend land use and zoning changes for the Hidden Valley community based on technical studies, the Hidden Valley Land Use Master Plan, and community input. It is planning staff's recommendation that the Official Plan and Zoning By-law Amendments be approved.
- There are no financial implications associated with this recommendation.
- Community engagement included:
 - Two Public Information Centres hosted in 2018 as part of the Land Use Master Plan;

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

- Ongoing meetings with landowners and stakeholders throughout the Land Use Master Plan, Implementation Project, and concurrent Environmental Assessments, including site visits:
- Two Virtual Public Open Houses in 2021 as part of the Upper Hidden Valley Pumping Station and Forcemain Environmental Assessment;
- One Public Information Centre in October 2023 as part of the Hidden Valley Flood Risk Reduction Environmental Assessment;
- One Public Information Centre in May 2024 as part of the Land Use Implementation Project;
- The January 27, 2025, statutory public meeting with notice published in the Waterloo Region Record on January 3, 2025;
- Conversations with the statutory public meeting delegate in April and a site visit in May 2025.
- Ongoing engagement and information shared via Engage Kitchener.
- This report supports the delivery of core services and Building a Connected City Together: Focuses on neighbourhoods; housing and ensuring secure, affordable homes; getting around easily, sustainably, and safely to the places and spaces that matter.

BACKGROUND:

The Hidden Valley Land Use Implementation Project has been undertaken to provide updated Official Plan policies and Zoning By-law regulations informed by the 2019 Master Plan and subsequent technical studies.

The proposed Official Plan and Zoning By-law amendments are intended to guide future development that is appropriately phased, serviced, transit supportive, creates a more complete community than exists today comprising a wider mix of residential and non-residential uses, conserves important natural features and functions, and contributes to the existing Hidden Valley community.

The purpose of the proposed Official Plan amendment is to update the policy framework in Hidden Valley by:

- Updating the Urban Structure (i.e., adding an Urban Corridor along the River Road Extension, reclassifying Industrial Employment Areas to Community Areas, and minor refinements to the Green Areas to implement recommendations of the Comprehensive EIS) and applying updated land uses within the Study Area by redesignating lands with appropriate land use designations in the 2014 Official Plan to facilitate development of a more complete community.
- Amending specific policy area mapping and policies that apply specifically to Hidden Valley to implement the findings of Land Use Implementation Project.
- Amending natural heritage system, cultural heritage, and transportation system mapping
 within Hidden Valley to reflect the technical studies and changes since adoption of the 2014
 Official Plan (e.g., alignment of the River Road extension).

The purpose of the proposed Zoning By-law amendment is to update the zoning framework in Hidden Valley and to bring the remaining lands into Zoning By-law 2019-051. The Study Area is predominantly subject to Zoning By-law 85-1, with exception of recently approved development applications in the area which applied By-law 2019-051 zones to facilitate development. The proposed Zoning By-law Amendment:

• Carries forward existing site-specific regulations, where applicable.

- Applies new holding provisions to ensure continued consideration of water and sanitary servicing, noise study requirements, and permits required for species at risk where future development may occur.
- Applies a significant wildlife habitat (confirmed and candidate) overlay, which corresponds to changes as part of the proposed Official Plan amendment; and
- Applies applicable zones in Zoning By-law 2019-051 which align with and implement the proposed Official Plan amendment land uses.

REPORT:

At the January 27, 2025 Planning and Strategic Initiatives (PSIC) meeting, a decision on the recommended Official Plan and Zoning By-law amendment was deferred to May to allow an opportunity for staff to conduct a site visit of the subject properties and have further conversations with the delegates and Ward Councillor related to land use, transportation, environment and source water protection concerns as raised by the delegations for this item (P. Benninger, Coldwell Banker, N. Miller, NRSI and D. Aston, MHBC Planning).

Table 1 below summarizes the comments conveyed at the January 27 PSIC meeting and an indication of whether or not a modification was made to the proposed Official Plan and/or Zoning Bylaw amendment. Further discussion on each of the items in the table is provided below.

Table 1: Comments and Staff Response

Delegation Comments		Staff Response
1	Concerns with the proposed designation of Natural Heritage Conservation on Area 3 (2A East on the 2019 Master Plan). The proposed land use designations on the western portion (Area 2A West) are not being disputed.	No change made.
2	Concerns with the approved 2019 Land Use Master Plan designation of Natural Heritage Conservation on Area 4 (2B on the 2019 Master Plan)	No change made.
3	Concerns with the approved 2019 Land Use Master Plan designation of Natural Heritage Conservation on an area in the northwest area of the property (Additional Area).	No change made.
4	Concerns with the delineation of the Natural Heritage System in 'Areas of agreement not modified on City Schedules' and request they be reviewed.	Change made.
5	Seeking clarification on why of the extent of the Significant Wildlife Habitat Overlay extends beyond the NHC-1 zone?	No change required. Clarification provided.
6	Concerns that Natural Linkages and Corridors will be determined through the completion of an Environmental Impact Study in accordance with the Comprehensive Environmental Impact Study prepared by LGL Environmental Research Associates (November 2024)	No change required. Clarification provided.

Request for additional uses:

a) A hotel

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- b) A retirement home
- c) Gas stations or automotive detailing and repair
- d) Underground parking garages

No change required. Clarification provided.



Figure 1: Areas related to Comments 1, 2 and 3

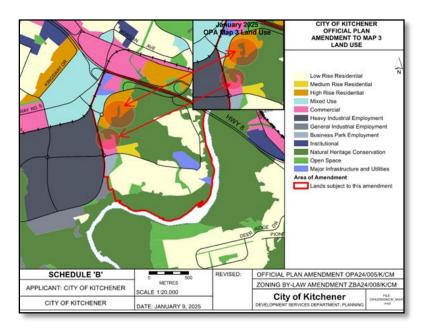


Figure 32: Areas related to Comments 4

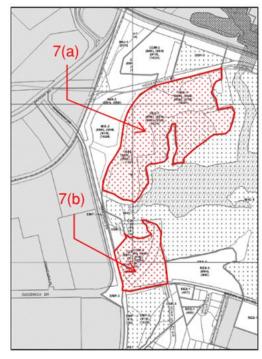


Figure 23: Areas related to Comments 7a and 7b

Delegation Comments 1 to 3

At the January 27, 2025, PISC, P. Benninger, Coldwell Banker c/o Pearl Valley Development Corporation, who owns of much of the undeveloped lands within the Hidden Valley study area, and their planning consultant D. Aston, MHBC Planning expressed concern with the delineation of the Natural Heritage System in three areas.

Area 3 (2A East on the 2019 Master Plan)

Area 3 is included in the Natural Heritage System as part of the proposed amendments as it contains Regionally Significant Woodland and Locally Significant Valley both being Core Natural Heritage Features as well as regulated forested habitat of an endangered species (Jefferson Salamander). The area of disagreement is isolated to the five lots (proposed cul-de-sac), approximately 4.11 ha (10.16 acres) in size.

Area 4 (2B on the 2019 Master Plan)

Area 4 is included in the Natural Heritage System as part of the proposed amendments and is consistent with the 2019 Hidden Valley Land Use Master Plan, as it contains Regionally Significant Woodland and Locally Significant Valley both being Core Natural Heritage Features as well as regulated habitat of an endangered species (Jefferson Salamander). Additionally, it is understood that this portion of the Regionally Significant Woodland was being managed in accordance with a Good Forestry Practices permit under Region of Waterloo By-law 08-026 (Conservation of Trees in Woodlands). Regardless of any tree removal, it would not result in the area being removed from the Regionally Significant Woodland designation but instead result in the need for natural woodland regeneration and/or active restoration to occur in this area. The conservation of this woodland link is important in maintaining ecological connection among wetland components, woodland patches and the regulated woodland habitat of an endangered species (Jefferson Salamander). The area of disagreement is approximately 0.27 ha (0.67 acres).

Additional Area

The Additional Area is included in the Natural Heritage System as part of the proposed amendments and is consistent with the 2019 Hidden Valley Land Use Master Plan, as it contains Regionally Significant Woodland and Locally Significant Valley both being Core Natural Heritage Features.

Summary

As of the date of this report, staff have met with the Mayor, and Pearl Valley Development Corporation and MHBC Planning on April 16, 2025, and onsite with the aforementioned parties along with Councillors Deneault and Davey on May 14, 2025, and no supplementary information has been provided that would alter staff's recommended land use and zoning of these lands.

Current conditions have been accurately reflected by the Ecological Land Classification (ELC) mapping prepared by LGL. Planning authorities across southern Ontario, including Kitchener, use the Provincial ELC approach, to identify and then protect important natural areas. The ELC framework helps municipalities meet their obligations under the Provincial Planning Statement (PPS).

As per the PPS, 2024, the 2014 Official Plan, and in both City and Region staff's professional opinion, it is appropriate to maintain the Natural Heritage Conservation Designation for Area 4 / 2B and the Additional Area as per the Council Approved 2019 Land Use Master Plan, and designate Area 3 / 2A Natural Heritage Conservation and further zone the areas Natural Conservation (as shown on Figure 1).

As outlined in report DSD-2024-292, the proposed Official Plan Amendment is consistent with Provincial plans and the intent of the Official Plan including the Region of Waterloo Official Plan.

Delegation Comments 4 to 6

At the January 27, 2025, PISC, N. Miller, NRSI, environmental consultant for P. Benninger expressed concern with the delineation of the Natural Heritage System in a few areas, requested further information and/or clarification for Significant Wildlife Overlays, Linkages and Supporting Natural Heritage Features, and on terminology.

Comment 4 - Two areas of agreement not modified on City Schedules

Staff confirm that the two areas of agreement (as shown on Figure 2) raised by the delegate were agreed to through the EIS and field work that occurred in summer 2024. Updates have been made to the proposed Official Plan Amendment Schedule 'A' (Map 2 Urban Structure), Official Plan Amendment Schedule 'B' (Map 3 Land Use,) and Official Plan Amendment Schedule 'D' (Map 6 Natural Heritage System) and associated Zoning By-law Schedules to reflect the agreed limits of the natural heritage system for these areas.

Comment 5 - Significant Wildlife Habitat Overlay

Each feature in the Natural Heritage System contains policies that provide appropriate protection based on the feature's significance and sensitivity. The features identified as Significant Wildlife Habitat, Significant Landforms and Ecological Restoration Areas place limitations on development; requiring further studies to determine whether development within the feature is appropriate and how it should occur.

Kitchener Official Plan Policy 7.C.2.25 notes that areas identified as Significant Wildlife Habitat on Map 6 (Natural Heritage System) will be treated as an overlay to land use designations on Map 3 (Land Use).

Additionally, Policy 7.C.2.29. notes that a special regulation provision will be applied to the zoning category of lands identified as Significant Wildlife Habitat and may be applied to lands adjacent to Significant Wildlife Habitat to serve notice that properties so zoned will be further regulated to implement Policies 7.C.2.27 and 7.C.2.28 respectively.

Policies 7.C.2.27 and 7.C.2.28 outline that in Significant Wildlife Habitat areas, development, redevelopment or site alteration will not be permitted unless it is demonstrated through an Environmental Impact Study or other appropriate study, that there will be no adverse environmental impacts on the natural heritage feature or ecological functions. The studies may also be used to further refine the delineation of the habitat(s).

Specific to Hidden Valley, the delineation of the Significant Wildlife Habitat and Significant Landforms overlay as illustrated on proposed Official Plan Amendment Schedule 'D' Map 6 - Natural Heritage System and further applied in the proposed Zoning By-law amendment was based on LGL's Comprehensive EIS (November 2024) regarding Significant Wildlife Habitat (esp. Sections 5 and 6, Figures 17 and 18, Appendix D). This overlay is important for scoping the future Terms of Reference for future, application-specific EISs.

Comment 6 – Natural Linkages and Corridors

As outlined in Kitchener Official Plan Policy 7.C.2.47 the City, through the Comprehensive Environmental Impact Study prepared by LGL Environmental Research Associates (Nov 2024) has identified Supporting Natural Heritage Features including Natural Linkages and Corridors.

As per Kitchener Official Plan Policy 7.C.2.50 the incorporation of Natural Linkages and Corridors will be required in the design of new development or redevelopment with the intent of maintaining, enhancing or, wherever feasible, restoring linkages among natural heritage features.

Proposed Special Policy 15.D.12.2 (g) ensures that Scoped Environmental Impact Studies required to support future development applications will be completed in accordance with (or consistent with) the Comprehensive Environmental Impact Study prepared by LGL Environmental Research Associates (Nov 2024).

Environmental studies required to support upcoming development applications (i.e. site plans, plans of subdivisions, etc.) will provide a clear and reasonable mechanism for assessing the site specific impact(s) of a development or site alteration on natural heritage features, including supporting features like Natural Linkages and Corridors that have been identified in the Comprehensive Environmental Impact Study prepared by LGL Environmental Research Associates.

Delegation Comment 7

At the January 27, 2025, PISC, D. Aston, MHBC Planning, planning consultant for P. Benninger, Coldwell Banker, Owner expressed the desire to have additional uses including a hotel, retirement home, and gas station/automotive detailing and repair operation added within Hidden Valley.

The Hidden Valley Official Plan and Zoning By-law amendments are city-initiated amendments to implement the 2019 land use master plan and supporting technical studies. This is achieved with applying existing land use and zoning categories as found in Zoning By-law 2019-051 to lands within Hidden Valley with site specific provisions and holding provisions to implement specific aspects of technical studies where necessary. The uses requested are already accommodated for in the proposed Official Plan and Zoning By-law amendments as follows:

Table 2: Accommodated Uses

Requested Use	Zone Category that permits the requested use	Approximate Amount of land within zone category
Hotel	MIX-2	4.8 ha (MIX-2)
	COM-2	6.5 ha (COM-2)
Retirement home	MIX-2	4.8 ha (MIX-2)
	RES-5	13.5 has (RES-5)
	RES-7	11.6 ha (RES-7)
Gas station*	EMP-2	1.1 ha (EMP-2)
Automotive detailing and repair	EMP-5	3.4 ha (EMP-5)
operation*	COM-2	6.5 ha (COM-2)

* Although these uses are permitted in these zones, Kitchener's Official Plan policies, including Map 8 – Source Water Protection Areas, inform and provide additional requirements for lands within wellhead protection areas and surface water intake protection zones. The sourcewater protection areas identified on Official Plan Map 8 are designated in the Regional Official Plan and policies that are applied to them are found within the Regional Official Plan – which now is part of Kitchener's Official Plan. Specifically, Surface Water Intake Protection Zone 2 (ROP Policy 8.A.22 (a)), Wellhead Protection Sensitivity Area 7 (ROP Policy 8.A.17 (a)) and Wellhead Protection Sensitivity Area 8 (ROP Policy 8.A.18 (a)) each note that Category 'A' uses will not be permitted. As part of any development application to establish these uses, Regional Sourcewater Protection staff will need to be consulted to confirm whether the proposed use is considered a Category A use. If so, the use will not be permitted in these areas in accordance with local, Regional, and Provincial policies and laws (including the Waterloo Source Protection Plan under the Ontario Clean Water Act).

Additionally, clarification on whether or not underground parking facilities are permitted throughout Hidden Valley was sought. Staff confirm that underground parking facilities are permitted throughout the City with the exception of on land zoned EUF-1. However, as noted above, portions of Hidden Valley are within wellhead protection sensitivity areas and surface water intake protection zones and as such Region Sourcewater Protection staff will need to be consulted early as part of site specific development applications on this matter.

As per Kitchener Official Plan Policy 15.D.3.5, staff have developed a plan that has a range of community facilities, institutional and commercial uses, at appropriate locations, near housing to support a walkable and complete community. Additionally, as per Policy 15.D.3.27 individual properties have been zoned to achieve an appropriate mix of uses that are compatible with the surrounding residential neighbourhoods.

Conclusion

For the reasons outlined in the Planning Analysis within report <u>DSD-2025-083</u>, the above proposed Official Plan and Zoning By-law amendment is consistent with the Provincial policies and plans, is consistent with the Regional Official Plan, as amended, is consistent with Kitchener's Official Plan and represents good planning.

STRATEGIC PLAN ALIGNMENT:

This report supports Building a Connected City Together: Focuses on neighbourhoods; housing and ensuring secure, affordable homes; getting around easily, sustainably, and safely to the places and spaces that matter.

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:

The Hidden Valley Land Use Implementation Project was informed by various community, collaborator, and First Nations engagement events, building on engagement from the 2019 Master Plan.

INFORM – This report has been posted to the City's website with the agenda in advance of the Council / Committee meeting.

CONSULT – Members of the public have been engaging with City Staff throughout both the Hidden Valley Land Use Master Plan and now the Hidden Valley Land Use Implementation Project since 2018.

COLLABORATE – Throughout the Hidden Valley Land Use Implementation Project and its associated studies, staff have worked with consultants, public agencies, and landowners including Pearl Valley Development Corporation who is the primary landowner for the proposed development area. This collaboration has been through various forms including email, virtual/in person meetings, and site visits.

Specifically, meetings were held with Pearl Valley in May, August, and November 2024 as well as to walk through recommendations from technical studies, proposed land use concepts, and discuss comments or questions. Most recently staff met with the Mayor, Councillor and Pearl Valley Development Corporation on April 16, 2025, and onsite May 14, 2025.

PREVIOUS REPORTS/AUTHORITIES:

- Municipal Act, 2001
- Planning Act, R.S.O. 1990, c. P.13
- Provincial Planning Statement, 2024
- Regional Official Plan
- City of Kitchener Official Plan, 2014
- City of Kitchener Zoning By-law 2019-051
- DSD-19-133 Neighbourhood Planning Review: Hidden Valley Land Use Master Plan.
- <u>DSD-2022-258</u> Class Environmental Assessment (EA) for Upper Hidden Valley Pumping Station and Forcemain
- <u>DSD-2022-392</u> Class Environmental Assessment (EA) for Upper Hidden Valley Pumping Station and Forcemain – Update
- <u>DSD-2024-119</u> Hidden Valley Flood Risk Reduction Municipal Class Environmental Assessment
- <u>DSD-2024-193</u> Hidden Valley Land Use Implementation Project Draft Heritage Impact Assessment (Heritage Kitchener)
- DSD-2024-215 Hidden Valley Land Use Implementation Project Technical Studies
- <u>DSD-2024-268</u> Hidden Valley Land Use Implementation Project Natural Heritage System
- <u>DSD-2024-292</u> Hidden Valley Land Use Implementation Project Official Plan Amendment OPA24/005/K/CM and Zoning By-law Amendment ZBA24/008/K/CM

REVIEWED BY: Natalie Goss, Manager, Policy & Research

Barbara Steiner, Senior Environmental Planner

APPROVED BY: Justin Readman, General Manager, Development Services

ATTACHMENTS:

Attachment A - Proposed Official Plan Amendment

Attachment B – Proposed Zoning By-law Amendment