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**REPORT TO:** Planning and Strategic Initiatives Committee

**DATE OF MEETING:** December 12, 2022

**SUBMITTED BY:** Garrett Stevenson, Interim Director of Planning, 519-741-2200 ext. 7070

**PREPARED BY:** Gaurang Khandelwal, Planner (Policy), 519-741-2200 ext. 7611  
Tim Donegani, Senior Planner, 519-741-2200 ext. 7067

**WARD(S) INVOLVED:** ALL

**DATE OF REPORT:** November 24, 2022

**REPORT NO.:** DSD-2022-410

**SUBJECT:** Kitchener Growth Management Strategy 2022 Annual Monitoring Report

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**RECOMMENDATION:**

**THAT Report DSD-2022-410 Kitchener Growth Management Strategy 2022 Annual Monitoring Report be submitted to the Regional Municipality of Waterloo in fulfillment of Clause 22.1 of the Administrative Agreement between the City of Kitchener and the Region Municipality of Waterloo regarding delegated approval authority.**

**REPORT HIGHLIGHTS:**

- The purpose of this report is to highlight key growth trends in the City over the past year, track the developable land supply and measure progress against density and intensification targets.
- The key findings of this report are that:
  - growth in Kitchener remained strong in the last year with 3,036 dwelling units created.
  - a broad range of housing types have been developed with 63% as multiple dwelling types (67% of multiple dwelling types were in the form of low to mid rise buildings), 5% as townhouses, and 32% in single-detached, semi-detached, and duplex dwelling types.
  - Kitchener has again exceeded its minimum annual intensification target with 51% of residential growth within the Built-up area in 2021.
  - development opportunities in both the Designated Greenfield Area and through intensification are more than sufficient to accommodate growth to 2031 and beyond.
- Community engagement included posting the report on City's website with the agenda in advance of the council / committee meeting. In addition, the monitoring report information will be presented to the Kitchener Developers Liaison Committee in December.
- There are no financial implications arising from this report.
- This report supports the delivery of core services.

## **BACKGROUND:**

The purpose of this report is to provide Committee and Council with the Kitchener Growth Management Strategy 2022 Annual Monitoring Report (Monitoring Report). The Monitoring Report is an action item of the 2009 Kitchener Growth Management Strategy (KGMS), which requires tracking of the general supply of land and the achievement of intensification and density targets on an annual basis.

## **REPORT:**

The KGMS provides a long-term framework for planning where and how future residential and employment growth should occur in Kitchener. To ensure that growth contributes positively to quality of life, the KGMS coordinates the provision of infrastructure and services with new development. The 2009 KGMS goals and actions support the Provincial Growth Plan for the Greater Golden Horseshoe (Growth Plan) and Regional Growth Management Strategy (RGMS).

The KGMS introduced a number of goals, one of which was to develop and facilitate an ongoing growth management program to manage growth-related change in an effective and co-ordinated manner (Goal 6). One of the action items of this goal is to prepare an annual monitoring report to track the supply of development opportunities and the achievement of intensification and density targets. This is also a requirement of the Growth Plan and the Regional Official Plan. Monitoring reports have been prepared annually since 2010.

Highlights of the 2022 Monitoring Report include:

### *Residential Development Rates in 2021*

- The number of new dwelling units created in 2021 (3,036) was the third highest figure on record, slightly less than the 2020 and 2019 figures.
- 63% of the new residential units were in the form of multiple dwellings, a decrease compared to that in 2020 (66%) and 2019 (75%).
- 639 multiple dwelling units created in 2021 were within 4 tall buildings (9 storeys or higher), representing about 21% of the total new units created. The rest of the multiple dwelling units created (67%) were either additions to existing buildings or in the form of low to mid rise buildings.
- 357 duplex dwelling units in single-detached, 19 duplex dwelling units in semi-detached, and 7 duplex dwelling units in townhouse dwelling types were created in 2021, a continued increase from the historical averages.

### *Urban Growth Centre (UGC) Density*

- The estimated density of the Urban Growth Centre (UGC) is 218 residents and jobs per hectare. Kitchener continues to be well on its way to achieving the City's Official Plan target of 225 residents and jobs per hectare by 2031.

### *Built Up Area and Designated Greenfield Area Development*

- Intensification level (new residential construction that occurs within the Built-up Area) is seeing a declining trend and has decreased to 51% over the past year. The minimum intensification target of 45% needs to be met or exceeded every year. The City's 5-year average intensification level is 59%, which continues to be an indication that the City is on track to contribute towards, and in some years exceed, the Region-wide minimum intensification target.

- Building permits issued for new residential units between June 2021 and June 2022 within the Designated Greenfield Area continue to provide a varied and balanced supply of dwelling types.
- The number of multiple dwelling building permits issued in the Built-Up Area far exceed those that were issued within the Designated Greenfield Area. This is expected as higher density multiple dwellings are focused in intensification areas (e.g., Major Transit Station Areas, nodes, and corridors).
- 11 permits were issued for Detached Additional Dwelling Units (also referred to as backyard homes) in June 2021-June 2022 reporting period.

#### *Capacity for Growth*

- The City continues to have the potential to accommodate its current allocated population and employment growth within its urban area. Increases in zoned capacity for both residential units and non-residential floor space were realized this year as the first stage of the Comprehensive Review of the Zoning By-law is now in full force and effect.

#### *Future of City's Growth Management Program*

- It is anticipated that the City's growth management program, including the strategy, framework and dynamic tracking and monitoring system, will be updated in future years to reflect recent changes to provincial legislation; recent updates to the Region's Official Plan; and subsequently the City's next Official Plan review which will follow.
- Bill 23, More Homes Built Faster Act, and other actions identified through the Housing Supply Action Plan 2022-2023 have the potential to affect the future of the Growth Management program if adopted. Bill 23 would see lower-tier municipalities take on the role of growth allocation and management. Additionally, the Province has signalled that changes to the Provincial Policy Statement and the Growth Plan for the Greater Golden Horseshoe are forthcoming which may require further Official Plan updates. Any changes that come into force will inform a revised growth management program.

### **STRATEGIC PLAN ALIGNMENT:**

This report supports the delivery of core services.

### **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. In addition, monitoring report information will be presented to the Kitchener Developers Liaison Committee in December.

### **PREVIOUS REPORTS/AUTHORITIES:**

- DSD-2021-164 Kitchener Growth Management Strategy 2021 Annual Monitoring Report
- DSD-19-206 Kitchener Growth Management Plan 2019-2021
- DTS-09-011 Kitchener Growth Management Strategy
- 2010-2021 Annual Monitoring Reports and Biennial Plans available at <https://www.kitchener.ca/en/strategic-plans-and-projects/growth-management.aspx>

**REVIEWED BY:** Natalie Goss, Manager, Policy and Research

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

**ATTACHMENTS:** Attachment A – Kitchener Growth Management Strategy (KGMS)  
Annual Monitoring Report 2022