

# **Make it Kitchener 2.0**

A Strategy to Guide Economic Recovery & Growth

October 2020

## **Land & Call to Action Acknowledgement**

We acknowledge that Kitchener is situated on the traditional territory of the Neutral, Anishinaabeg and Haudenosaunee Peoples. We recognize our responsibility to serve as stewards for the land and honour the original caretakers who came before us.

We would also like to acknowledge that our community is enriched by the enduring knowledge and deep-rooted traditions of the diverse First Nations, Métis and Inuit in Kitchener today. As we reflect on the seventh generation principle of the Haudenosaunee Peoples, we must consider the impacts of our actions and decisions on the next seven generations.

The City's initial response to the Calls to Action of the Truth and Reconciliation Commission is a starting point in the City's journey to develop meaningful relationships and work toward reconciliation with the local First Nations, Métis and Inuit communities. We recognize and acknowledge, however, that a more comprehensive approach to reconciliation is required to address systemic inequities, racism and to better support, celebrate and deliver services to Indigenous Peoples in Kitchener.

We give this acknowledgement to show respect to the first peoples who inhabited this land and to remind ourselves of our responsibility to the First Nations, Inuit and Metis now and always. As we move forward we must be steadfast in our commitment to do better.

# **Make it Kitchener 2.0**

Make it Kitchener 2.0 is an ambitious plan to support economic recovery and to propel our community and economy forward by investing in catalytic growth opportunities and creating a resilient future where everyone can make a difference.

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## Made by our Community

Make it Kitchener is more than a strategy - it's a community ethos. It's a simple premise that if you want to make a difference in the world, Kitchener is the place to do it. Because this community will help. Our advantage is we make change together. We always have, and always will.

In 2019 and 2020, we challenged our community to explore and ideate on what's next for Kitchener. The City engaged with over 650 community members, stakeholders, business owners, community leaders, social service providers and housing providers with over 950 touch points in the development of this strategy. This included roundtable discussions, an online survey, an idea board and discussions with numerous advisory committees. Community input culminated with Ideas of the Brave, a symposium where community, business and institutional leaders and residents met under one roof to think boldly and ambitiously about the transformative change we collectively want to lead as a community. We challenged you to imagine your ideal Kitchener. What you shared was truly inspirational and your insights built this strategy:

- It's not just about doing more, it's about doing better!
- We need to solve major societal challenges such as affordable housing, environmental sustainability and the elimination of systemic barriers.
- We need to aspire to have our own distinct vibrancy and vibe.
- We need to focus on growing employment sectors such as health innovation, creative industries and social innovation.

## **Responding to the Pandemic**

One could never have imagined the change that would come to our world, locally and abroad, in 2020. Since the pandemic began, the City has engaged countless businesses and industry representatives, including more than 100 one-on-one interviews with impacted small businesses. They have shared their challenges and the type of support they need from the City. Businesses need support now, and they will need support ahead as we collectively navigate the future. But if the pandemic and world events have shown us anything, it's that the ambitions of our community are even more relevant now than they were before.

## **Our Commitment to Ongoing Collaboration**

Collaboration and partnerships are the foundation of our community. We know that we still have so much more to learn and hear from our residents. The journey ahead still needs your vision, your input, your energy, your investment and your talent to bring the strategy to life. To ensure a collective direction, ongoing collaboration and dialogue is essential. We can't create a community where everyone can make a difference, without you. Let's continue to Make Change Together!

## **Our Call to Action**

“Let’s stand up and be the city that does the most good in the world.”

“If any community can authentically own this aspiration, it’s Kitchener.”

- *Comments made by round table participants*

## **We Believe...**

### **We believe the time for action is now**

In the midst of a global pandemic, we’ve seen local businesses close and jobs lost. An anti-racism awakening has led many of us to face the realities of how inequitable our society is. The uncertainty of what our future holds is daunting at best. But in Kitchener, we’re not bystanders - we own our change. Now, more than ever before, we need to support our impacted neighbours and collectively and courageously lead the change we want to see in the world.

### **We believe the ‘impact economy’ is our future**

We are experiencing a major societal shift where our collective desire to make the world better will drive the economy of the future. Imagine if we mobilized our industrial might, technological know-how and thirst for innovation to confront our community’s greatest challenges. Kitchener can be a global leader by investing in the areas that most directly impact residents lives, such as our health and social well-being, the affordability of our community and innovation that improves the quality of every day life.

## **We believe ‘difference makers’ move the world forward**

Every person can make a difference in the world. No matter how big or small the ambition, we need to ensure everyone has the opportunity to move their dreams forward, free from barriers and inequities. As a starting point, you’ve shared with us what you need: access to entrepreneurial programs and spaces; affordable and attainable housing; and, a vibrant, active city with a thriving and inspiring arts community. By investing in these areas, we’re investing in local difference makers and all who supports their amazing work. You make Kitchener better and you make our world better! You Make it Kitchener!

## **We believe Kitchener is up to the challenge**

We’ve faced difficult times in the past, and come out stronger together. We’ve overcome major challenges before, and we can do it again. We are a resilient, caring community with a relentless pursuit of building a better city and a better world. Let’s make change together!

# **A Transformative Investment Strategy**

## **Economic Development Investment Fund 2.0**

In 2003, the city developed an investment fund which enabled the transformation of our city through the emergence and growth of the technology sector and the transformation of Downtown Kitchener. Today we have an opportunity to establish a new fund to support economic recovery and enable the next generation of transformational change.

### **EDIF 2.0**

A New Economic Development Investment Fund

### **Up to \$110 Million**

The City has the capacity to deploy up to \$110 million in catalytic investments from 2020 to 2030, to immediately support businesses impacted by the pandemic, to lead the Impact Economy and to support the critical infrastructure and programs needed to enable Difference Makers.

### **Without Tax Increases**

Our paradox is clear - critical investments are needed now, at a time when tax payers may not be in a position to bear substantial tax increases. The solution is an innovative approach that leverages three funding sources which can be implemented without the need to increase property taxes.

### **Funding Sources**

Generated and Allocated over 10 years from the following sources:

- Up to \$10 Million from the Economic Development Reserve
- Up to \$20 Million from Re-issuance of Debt
- Up to \$80 Million from Strategic Land Models

### **Sustainable Funding**

City Council will consider tools that allow a portion of the tax increment from the redevelopment of significant City-owned lands to be dedicated to future investments.



## **Timeline**

Make it Kitchener 2.0 will guide initial investments until 2025. Future strategies will guide investments beyond 2025. The timing of major investments will be contingent upon the speed at which land sales are realized, which will be influenced by market conditions. City Council will have the flexibility to determine the speed and timing of land sales.

## **Strategic Land Model - How the City can Leverage it's Land Assets**

1. Strategically locate investments to elevate the value of city-owned lands
2. Develop visionary master plans that create new economic clusters and community focal points
3. Bring lands to market through a competitive process
4. Retain assets, such as commercial/residential units, for future strategic use
5. Reinvest land sales in future investments

## **Investments Principles**

- Establish partnerships
- Leverage investments from partners & other levels of Government
- Invest in long-term public assets
- Business case based

## **The Path Forward**

The pandemic has brought unprecedented change and uncertainty to the way we work, do business and live our lives. As a result, the path to recovery and a new normal needs both immediate action to support those who've been impacted the most, and long-term investments in the Impact Economy and the Difference Makers who will ultimately drive the recalibration and resurgence of our economy.

### **Immediate focus & investments**

- Supporting Economic Recovery from the Pandemic

### **Longer-term Investments**

- Health Innovation
- Creative Industries
- A City Wide Startup Network Focused on Sustainable Development Goals
- Affordable and Attainable Housing
- A Vibrant, Active City

## Supporting Economic Recovery

The COVID-19 pandemic has brought unprecedented economic change and uncertainty, transforming the very ways we work and live. The long-lasting impacts are still unclear. As a result, the path to recovery will need both immediate action and long-term commitment. Immediately, the City needs to support those who've been impacted the most.

Small businesses, for example, are the foundation of our city. They create jobs, drive our economy and breathe life into our streets and our neighbourhoods. And yet the pandemic has hit them the hardest, causing their workforce to endure uncertainty and job loss. In particular, those in the food, retail, service and tourism sectors have told us they need support as they pivot and adapt their business models to the current and post-pandemic worlds.

Simultaneously, the City needs to ensure our high growth industries, such as manufacturing, technology, construction, financial services, etc, can continue to grow and scale.

While the Federal and Provincial governments are the primary providers of financial aid, the City can utilize its own investments to leverage the support from other levels of government. Doing so will further enhance the provision of key programs and supports that allow businesses to adapt, recover and become more resilient.

### Our Initial Plan

Continue to engage businesses to understand their challenges today and ahead. Allocate funding to support economic recovery efforts targeted at:

- A. Businesses looking to pivot and adapt;
- B. Displaced workers who are looking to transition to other industries;
- C. New entrepreneurs, small businesses, startups, and scaling companies;
- D. Ensuring our commercial, main street, and downtown areas remain vibrant; and,
- E. Supporting businesses and development through efficient municipal services.

## **Health Innovation**

The Health Industry is poised for significant growth throughout North America, driven by three key factors - response to the current pandemic, an aging population and a societal focus on health and well-being. Without significant investments locally, our region could be left behind while other communities emerge as national leaders.

We believe our community is ideally positioned to establish a unique foothold in the health industry, by leveraging our strengths in technology, data, communications, manufacturing and medical devices to emerge as a centre for health innovation and medical technology.

## **Our Ambition**

Develop leading facilities for entrepreneurs to advance health and med-tech innovations that create opportunities for clinical, academic and entrepreneurial collaboration, centred around a new urban business park.

## **Creative Industries**

Before the pandemic, our need to experience art was already transforming into a growth industry, driven by an insatiable demand for content in film, animation, gaming, design, music and interactive media. The pandemic has only accelerated society's desire to consume creative, artistic content.

We need to support, develop and boost our local artistic and creative talent into a robust sector that can also fuel other vital industries. This will require a full-scale effort and collaboration with our partners in education, technology, manufacturing and innovation. Together we can strive to see our community at the forefront of rapid creative industry growth.

## **Our Ambition**

Collaborate with industry collaborate with industry and educational partners to become a global leader in creative industries. Continue to advance affordable, creative spaces which enable growth and collision of creative entrepreneurs.

# **A City-Wide Startup Network**

## **Focused on Sustainable Development Goals**

You are the makers, the movers and shakers, the innovators. We see you and the effort you put into creativity and experimentation. You're taking on major challenges to lead community, environmental and social innovation. We need to make it easier, no matter who you are, to bring your ideas and businesses to life.

To ensure you have access to programs and affordable space, we need to think differently about City-owned spaces to enable small businesses to thrive and grow. Let's aspire to build a city-wide entrepreneurial network open to all, without barriers and without limits.

### **Our Ambition:**

Expand the startup ecosystem across the City, including a network of city-owed and commercial spaces for entrepreneurs. Develop a hub to support businesses tackling the U.N. Sustainable Development Goals. Continue to learn from stakeholders and Work in partnership to deliver innovative entrepreneurial support programs in new ways that eliminate barriers to entry for all.

## **Affordable & Attainable Housing**

People can't make a difference in our community if they can't afford to live in our community. We need to ensure a full range of affordable housing options, from supportive housing to attainable home ownership.

You told us affordability is our number one challenge. We need to think differently and tackle affordability straight on, by advancing the development of mixed-income housing, where residents of all socio-economic and cultural backgrounds can flourish together. We also need to think beyond housing to ensure all aspects of our community enable an affordable lifestyle.

### **Our Ambition:**

Pioneer mixed-income, mixed use communities through new investment models that enable the City to actively create affordable and attainable housing. Enable residents to live an affordable lifestyle through measures such as active transportation, access to community amenities, free community festivals, etc.

## **A Vibrant, Active City**

Our community of artists, musicians, restauranteurs, retailers and cultural producers bring our streets and communities to life. They invite us to see and experience the world differently and inspire others to do the same. Collectively, they do more than just nourish our souls, they transform our thinking. They make us feel more, care more and aspire for better.

We need to imagine our own vibrant city in our own authentic way. We need to continue to create opportunities and places across our city - in our streets, paths, parks, and places - where difference makers and entrepreneurs can offer experiences and moments that truly matter. We need to think both big and small, to enable the vibrancy, festivals and experiences that can shape Kitchener's culture.

### **Our Ambition:**

Launch platforms and enable opportunities throughout the city for difference makers to bring our City to life. Work with key stakeholders, business areas and cultural producers to build and promote inspiring and impactful experiences.



## **What this Strategy Means for Residents**

- The City will support our local small businesses throughout the pandemic.
- The City will support our key employment industries to remain strong providing a diverse local job market.
- As the global economy changes, the City will make key investments to ensure our local businesses can adapt and lead.
- The City will work directly to solve challenges that are top of mind for residents, such as affordable housing, unemployment, health and environmental sustainability.
- The City will continue to ensure our community is vibrant by investing in arts, culture, events, and main street businesses.
- The City will create a fund to support economic recovery with minimal impact to your taxes.

# **We Believe in the Impact Economy & Difference Makers**

## **EDIF 2.0 - A Transformative Investment Strategy**

### **Immediate Investment**

#### Supporting Economic Recovery

- Programs to Support Adaptation
- Initiatives to Support Recovery
- Initial Allocation: \$5 Million

### **5 Areas of Long-Term Investment**

#### Health Innovation

- New facilities for Health & Med-Tech Innovation
- New Urban Business Park
- Proposed allocation: \$10 Million

#### Creative Industries

- Industry & Educational Partnerships
- Creative Spaces for Entrepreneurs
- Proposed allocation: \$15 Million

## A City-Wide Startup Network

- Network of City-Owned Spaces including a SDG Lab
- Innovative & Barrier Free Programs
- Proposed allocation: \$7.5 Million

## Affordable & Attainable Housing

- Pioneer Mixed-Income Communities
- New Investment Models
- Proposed allocation: \$15 Million

## A Vibrant, Active City

- New Platforms to bring the City to Life
- Build & Promote Impactful Experiences
- Proposed allocation: \$7.5 Million

## **Make it Kitchener - Since 1854**

Note - this strategy is 'draft' only and subject to City Council input and approval. The final strategy, including imagery, layout, etc., may differ. - October 2020