

Strategic Foresight Report: Trends Shaping Kitchener's Future

City of Kitchener

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Contents

Strategic Foresight Report: Trends Shaping Kitchener's Future.....	8
Opening Context: Where Kitchener Is Today.....	8
Executive Summary.....	10
A City Performing Well in an Era of Growing Change	10
From Satisfaction to Confidence.....	10
Kitchener Is Entering an Era of Complexity.....	11
Local Challenges Are Increasingly Shaped by National Forces	11
A Global Environment Defined by Uncertainty	11
The Opportunity Ahead.....	12
Looking Ahead	12
Municipal Trends Most Relevant to Kitchener.....	13
1. Growth is becoming more visible in everyday life	13
Key local signals	14
Why this matters for Kitchener	14
What residents may increasingly demand	14
Risks for Kitchener	14
Opportunities for Kitchener	14
2. Infrastructure and maintenance are becoming visible tests of competence.....	15
Key local signals	15
Why this matters for Kitchener	15
What residents may increasingly demand	15
Risks for Kitchener	16
Opportunities for Kitchener	16
3. Public spaces and downtown experience are becoming symbols of civic confidence.....	16
Key local signals	16
Why this matters for Kitchener	17
What residents may increasingly demand	17
Risks for Kitchener	17
Opportunities for Kitchener	17
4. Local climate resilience is becoming an infrastructure issue.....	17
Key local signals	18
Why this matters for Kitchener	18

What residents may increasingly demand	18
Risks for Kitchener	18
Opportunities for Kitchener	18
5. Kitchener's civic identity is evolving.....	19
Key local signals	19
Why this matters for Kitchener	19
What residents may increasingly demand	19
Risks for Kitchener	19
Opportunities for Kitchener	20
6. Water supply is becoming a hard limit on growth.....	20
Key local signals	20
Why this matters for Kitchener	21
What residents may increasingly demand	21
Risks for Kitchener	21
Opportunities for Kitchener	21
7. Expectations for municipal leadership in Reconciliation are rising.....	21
Key local signals	22
Why this matters for Kitchener	22
What residents may increasingly demand	22
Risks for Kitchener	22
Opportunities for Kitchener	23
8. The City's own capacity is becoming part of the story	23
Key local signals	23
Why this matters for Kitchener	23
What residents may increasingly demand	24
Risks for Kitchener	24
Opportunities for Kitchener	24
9. Downtown vitality is becoming a fiscal question.....	24
Key local signals	25
Why this matters for Kitchener	25
What residents may increasingly demand	25
Risks for Kitchener	25
Opportunities for Kitchener	26

10. Homelessness and visible disorder are testing the social compact	26
Key local signals	26
Why this matters for Kitchener	27
What residents may increasingly demand	27
Risks for Kitchener	27
Opportunities for Kitchener	27
11. The toxic-drug and mental-health crisis is reshaping public life	27
Key local signals	28
Why this matters for Kitchener	28
What residents may increasingly demand	28
Risks for Kitchener	29
Opportunities for Kitchener	29
12. Community safety is increasingly a question of perception	29
Key local signals	29
Why this matters for Kitchener	30
What residents may increasingly demand	30
Risks for Kitchener	30
Opportunities for Kitchener	30
Concluding Observations: Municipal Trends.....	30
Provincial and National Trends Shaping Kitchener	32
1. Canada's housing system is undergoing a structural reset	32
Key provincial/national signals	33
Why this matters for Kitchener	33
What residents may increasingly demand	33
Risks for Kitchener	33
Opportunities for Kitchener	33
2. Municipal governments are being asked to do more without matching fiscal capacity.....	34
Key provincial/national signals	34
Why this matters for Kitchener	34
What residents may increasingly demand	34
Risks for Kitchener	34
Opportunities for Kitchener	35
3. Economic insecurity is becoming a defining experience for middle-income Canadians	35

Key provincial/national signals	35
Why this matters for Kitchener	35
What residents may increasingly demand	35
Risks for Kitchener	36
Opportunities for Kitchener	36
4. Expectations of government are becoming more immediate and performance-based.....	36
Key provincial/national signals	36
Why this matters for Kitchener	36
What residents may increasingly demand	36
Risks for Kitchener	37
Opportunities for Kitchener	37
5. Population growth and migration are reshaping Canadian communities	37
Key provincial/national signals	37
Why this matters for Kitchener	37
What residents may increasingly demand	38
Risks for Kitchener	38
Opportunities for Kitchener	38
6. Canada's productivity challenge is becoming a competitiveness problem	38
Key provincial/national signals	39
Why this matters for Kitchener	39
What residents may increasingly demand	39
Risks for Kitchener	39
Opportunities for Kitchener	40
7. The innovation economy is concentrating, with uneven exposure	40
Key provincial/national signals	41
Why this matters for Kitchener	41
What residents may increasingly demand	41
Risks for Kitchener	41
Opportunities for Kitchener	41
8. Population aging is accelerating.....	41
Key provincial/national signals	42
Why this matters for Kitchener	42
What residents may increasingly demand	42

Risks for Kitchener	42
Opportunities for Kitchener	42
9. Access to primary care is becoming a defining public concern	43
Key provincial/national signals	43
Why this matters for Kitchener	43
What residents may increasingly demand	43
Risks for Kitchener	44
Opportunities for Kitchener	44
10. Food insecurity has reached the middle class	44
Key provincial/national signals	44
Why this matters for Kitchener	45
What residents may increasingly demand	45
Risks for Kitchener	45
Opportunities for Kitchener	45
11. Trade disruption and tariffs are reshaping the regional economy	45
Key provincial/national signals	46
Why this matters for Kitchener	46
What residents may increasingly demand	47
Risks for Kitchener	47
Opportunities for Kitchener	47
Concluding Observations: Provincial and National Trends	47
Global Trends Shaping Kitchener	49
1. The shift from scarcity to precarity is reshaping public expectations	49
Key global signals	50
Why this matters for Kitchener	50
What residents may increasingly demand	50
Risks for Kitchener	50
Opportunities for Kitchener	50
2. Climate volatility is becoming an infrastructure, affordability, and quality-of-life issue	51
Key global signals	51
Why this matters for Kitchener	51
What residents may increasingly demand	51
Risks for Kitchener	52

Opportunities for Kitchener	52
3. AI and technological disruption are reshaping work, expectations, and trust	52
Key global signals	52
Why this matters for Kitchener	53
What residents may increasingly demand	53
Risks for Kitchener	53
Opportunities for Kitchener	53
4. Global instability is increasing local economic uncertainty	53
Key global signals	54
Why this matters for Kitchener	54
What residents may increasingly demand	54
Risks for Kitchener	54
Opportunities for Kitchener	54
5. Cities are becoming the front line of social and institutional pressure	55
Why this matters for Kitchener	55
What residents may increasingly demand	55
Risks for Kitchener	55
Opportunities for Kitchener	56
6. Cybersecurity is becoming a core municipal risk	56
Key global signals	56
Why this matters for Kitchener	56
What residents may increasingly demand	57
Risks for Kitchener	57
Opportunities for Kitchener	57
7. Social connection is eroding	57
Key global signals	57
Why this matters for Kitchener	58
What residents may increasingly demand	58
Risks for Kitchener	58
Opportunities for Kitchener	58
Concluding Observations: Global Trends	58
The External Operating Environment	61
Political continuity, not change	61

Senior governments are under serious fiscal pressure.....	61
Conditional funding is becoming the norm	62
Unlikely but Possible: Outcomes to Keep on the Radar.....	62
Disruptions already taking shape.....	62
Lower-probability, higher-impact possibilities	63
An Integrated Diagnosis.....	63
Final Synthesis: Kitchener at an Inflection Point.....	65
The Next Decade Will Be Defined by Confidence	65
Kitchener Is Moving from Growth Management to Complexity Management.....	65
The Emerging Reality: Residents Are Living in a Precarity Mindset	66
Kitchener's Greatest Strength May Also Be Its Greatest Opportunity	67
The Strategic Questions That May Define the Next Decade.....	68
1. How can Kitchener continue to grow while preserving confidence?	68
2. How can Kitchener become more resilient before disruption occurs?	68
3. How can the City strengthen trust in an era of rising expectations?	68
4. How can Kitchener maintain belonging as it grows?.....	68
5. How can Kitchener remain affordable and attainable?	68
Looking Ahead.....	69

Strategic Foresight Report: Trends Shaping Kitchener's Future

Opening Context: Where Kitchener Is Today

Kitchener is entering a period of significant transition. The city remains highly livable and well-regarded by residents for many of its day-to-day experiences, but the context in which residents evaluate the City is changing rapidly.

The 2026 resident survey shows that Kitchener continues to benefit from strong perceptions around access to amenities, parks, recreation, libraries, and overall quality of life. Residents generally see the city as accessible, family-oriented, and functional in their everyday lives. Strong majorities continue to report positive experiences with core municipal services and amenities, reinforcing that Kitchener maintains a strong foundation as a place to live.

At the same time, confidence becomes softer when residents think about the future. Affordability pressures, infrastructure strain, housing challenges, congestion, and changing expectations of government are increasingly shaping how residents evaluate the City's direction. Residents appear to be moving from evaluating the City based primarily on current service delivery toward evaluating whether the City is prepared for what comes next.

Several themes emerge clearly from the research:

- Residents continue to value Kitchener's livability and accessibility
- Affordability and housing pressures are becoming dominant concerns
- Infrastructure and growth management are increasingly visible pressure points
- Trust and confidence are becoming more conditional and performance-based
- Residents want reassurance that growth and change are being managed intentionally

This reflects a broader shift occurring not only in Kitchener, but across Ontario, and Canada. Residents are no longer judging municipalities only on whether services work today. They are increasingly asking:

- Can the city keep up with growth?
- Will housing remain attainable?
- Can infrastructure support future demand?
- Will quality of life be protected?
- Is local government responsive, transparent, and prepared?
- Will life feel more stable or more uncertain in the years ahead?

The foresight trends outlined in this report are intended to help frame the strategic environment Kitchener is likely to operate within over the next 5 to 10 years.

These trends are not predictions. They are directional forces already emerging locally, nationally, and globally that have credible pathways to shaping:

- Resident expectations
- Municipal priorities

- Infrastructure demands
- Service delivery
- Trust in government
- Housing and affordability
- Economic competitiveness
- Community wellbeing

Importantly, these trends should not be viewed separately from the resident survey findings. The survey reflects how many of these pressures are already beginning to shape public opinion and lived experience.

The central insight emerging from both the research and the broader trend environment is this:

Kitchener is entering a period where residents will increasingly judge the City not only on current service delivery, but on its ability to manage change, reduce uncertainty, and provide confidence in the future.

Executive Summary

A City Performing Well in an Era of Growing Change

Kitchener enters the next decade from a position of considerable strength. Residents continue to see the city as a highly livable community that delivers well on many of the things that matter most in daily life. Satisfaction with municipal services remains strong, driven by positive experiences with parks, recreation, libraries, emergency services, and other amenities that contribute to quality of life. Most residents feel safe in their neighbourhoods, value Kitchener as a place to raise a family, and intend to remain in the city for years to come.

These findings paint the picture of a city that is functioning well today.

At the same time, the research reveals a subtle but important shift in how residents are thinking about the future. While people generally feel positive about their day-to-day experience of Kitchener, they are less certain about what lies ahead. Concerns about affordability, housing, infrastructure, homelessness, public safety, healthcare access, and the cost of living are becoming increasingly influential in shaping perceptions of the city and its direction.

This emerging tension sits at the heart of the findings. Residents largely believe Kitchener is a good place to live today, but they are increasingly looking for reassurance that it will remain so in the future.

From Satisfaction to Confidence

For many years, municipalities were primarily evaluated on the quality of services they delivered. Residents judged local government based on whether roads were maintained, parks were clean, recreation programs were available, and basic services worked effectively. While those measures remain important, the research suggests residents are increasingly applying a broader lens.

Today, residents are asking bigger questions. They want to know whether housing will remain attainable, whether infrastructure can keep pace with growth, whether public spaces will remain safe and welcoming, and whether future generations will enjoy the same opportunities that attracted people to Kitchener in the first place. Increasingly, residents are evaluating not only the city's current performance, but also its preparedness for what comes next.

This shift reflects a broader transition occurring across Ontario, Canada, and much of the developed world. Economic uncertainty, affordability pressures, demographic change, climate risks, technological disruption, and declining trust in institutions are reshaping how people think about stability and security.

Abacus has described this broader transition as a shift from scarcity to precarity. Scarcity is the feeling of not having enough today. Precarity is the feeling that the stability people currently have may become harder to maintain in the future.

Many of the findings in this report reflect this shift. Residents can be satisfied with municipal services while simultaneously expressing concern about affordability. They can appreciate growth while worrying about its consequences. They can feel positive about their neighbourhood while becoming less confident about the city's direction.

These are not contradictions. They are indicators of a population navigating a period of significant change and uncertainty.

Kitchener Is Entering an Era of Complexity

Viewed through this lens, the findings point to a broader conclusion. Kitchener's future success may depend less on whether it continues to grow and more on whether it can maintain public confidence while managing the pressures that accompany growth.

At the municipal level, Kitchener is entering a period where growth, infrastructure, housing, climate resilience, public safety, homelessness, water capacity, downtown vitality, organizational modernization, and community belonging are becoming increasingly interconnected. The challenge facing the city is no longer simply accommodating growth, but managing the complexity that growth creates.

Many of the pressures identified in the resident survey, from concerns about affordability and housing to perceptions of safety, infrastructure, and trust, are symptoms of this broader transition.

This report suggests that Kitchener is moving from an era of growth management to an era of complexity management.

Local Challenges Are Increasingly Shaped by National Forces

The issues residents experience locally are increasingly being driven by broader national trends.

Housing affordability, population growth, healthcare access, economic insecurity, aging demographics, declining productivity, food insecurity, and trade uncertainty are all influencing how residents experience their communities and what they expect from local government. While municipalities often have limited control over these issues, they increasingly become the place where residents experience their impacts most directly.

As a result, local governments are being asked to solve increasingly complex challenges while operating within fiscal and policy frameworks that were not designed for today's realities.

Residents may understand that many of these issues extend beyond municipal jurisdiction, but they continue to look to local government for leadership, advocacy, coordination, and visible action.

A Global Environment Defined by Uncertainty

Beyond national pressures, Kitchener is operating within a rapidly evolving global environment.

Climate volatility, artificial intelligence, cybersecurity threats, geopolitical instability, labour market disruption, declining social connection, and growing uncertainty are reshaping expectations of institutions and communities alike.

These forces are accelerating the pace of change and creating new forms of risk that municipalities must navigate. At the same time, they are changing what residents expect from government. Increasingly, residents are looking to local governments not only to deliver services, but also to provide stability, resilience, preparedness, and confidence in an uncertain world.

The result is a fundamentally different operating environment than the one that shaped much of Kitchener's recent success.

The Opportunity Ahead

Despite these pressures, Kitchener enters this period with significant advantages.

The city benefits from strong public amenities, a growing innovation economy, respected educational institutions, engaged residents, and a quality of life that continues to attract people and investment. These are the foundations of resilient communities. They provide Kitchener with assets that many cities across Canada are working to build.

The opportunity ahead is to leverage those strengths while preparing for a more complex future.

Success will increasingly be measured not only by how much the city grows, but by whether residents feel that growth is being managed thoughtfully, fairly, and in a way that strengthens the community. It will depend on the City's ability to connect issues that are often treated separately, communicate trade-offs clearly, and demonstrate that it is planning not only for today's needs, but for tomorrow's realities.

Looking Ahead

Ultimately, the findings in this report point toward a simple but important conclusion: residents are not only evaluating what Kitchener is today, they are evaluating what they believe Kitchener is becoming.

The cities that thrive over the next decade will not necessarily be those that experience the least disruption. They will be the ones that help residents navigate disruption with confidence, maintain a strong sense of belonging amid change, and demonstrate that growth, affordability, opportunity, and quality of life can advance together.

For Kitchener, that may be the defining opportunity of the years ahead.

If the last decade was about building a successful city, the next decade may be about building confidence in that city's future.

Municipal Trends Most Relevant to Kitchener

Municipal trends are the local forces most likely to shape residents' experiences, expectations, and perceptions of Kitchener over the next decade. Unlike national and global trends, these are the issues residents encounter directly in their neighbourhoods, on their streets, in public spaces, and through their interactions with municipal services.

Kitchener enters this period from a position of considerable strength. Residents continue to rate the city positively on many measures that contribute to quality of life. Strong majorities say Kitchener offers good access to daily activities (83%), a wide range of programs and services (80%), and a strong environment for raising a family (78%). Overall satisfaction with City services remains high at 70%, driven by strong ratings for parks and natural areas (81%), fire services (79%), libraries (77%), and recreation programs (77%).

At the same time, the survey reveals a city at an important inflection point. Residents are increasingly focused on affordability, housing, infrastructure, growth, safety, and the long-term direction of the community. While most residents feel Kitchener is a good place to live today, fewer express strong confidence about what the future will look like.

The trends that follow should therefore not be viewed as isolated issues. Together, they reflect a broader transition occurring across many successful mid-sized Canadian cities. Population growth, urbanization, infrastructure pressures, climate adaptation, demographic change, and rising public expectations are all converging at once.

Taken together, these trends suggest that Kitchener's next chapter will be defined less by whether it grows and more by how confidently it manages growth, change, and complexity.

1. Growth is becoming more visible in everyday life

Kitchener is experiencing a period of sustained growth that is increasingly visible throughout the city. Growth is no longer something residents hear about through planning documents or population forecasts. It is increasingly experienced through construction activity, new housing developments, intensification, changing neighbourhoods, road disruptions, infrastructure projects, and growing demand for community amenities.

The City has committed to supporting approximately 35,000 new homes by 2031¹, while planning initiatives such as Growing Together East are intended to accommodate growth through transit-oriented and mixed-use development². These efforts reflect broader trends occurring across many growing Ontario municipalities, where housing targets and population growth are driving significant physical transformation.

¹ Kitchener's unanimously approved housing pledge aims to support the construction of 35,000 new homes by 2031. See City of Kitchener Municipal Housing Pledge

² The City of Kitchener's Growing Together East policy is a comprehensive, transit-oriented framework aimed at redeveloping the Block Line, Fairway, and Sportsworld Major Transit Station Areas. See City of Kitchener Growing Together report.

The challenge is that residents often experience the costs of growth before they experience its benefits. Construction, traffic disruption, infrastructure pressure, and neighbourhood change are immediately visible. Housing affordability improvements, economic growth, and enhanced services often take longer to materialize.

As a result, growth is increasingly becoming a test of whether residents believe the City is planning effectively and managing change responsibly.

Key local signals

- Continued population growth and housing targets
- Increased construction and intensification activity
- Growing demand for parks, recreation, roads, and public services
- Greater visibility of neighbourhood change
- Rising public discussion around growth management and livability

Why this matters for Kitchener

Residents generally understand the need for growth and housing. However, support may increasingly depend on whether growth feels coordinated, intentional, and connected to improvements in everyday life.

The City's ability to demonstrate that growth is being managed, not simply accommodated, will become increasingly important in maintaining public confidence.

What residents may increasingly demand

- Clearer evidence that growth is being managed effectively
- Better coordination of construction, traffic, and infrastructure projects
- Proof that housing growth is matched by community amenities
- Stronger communication around the benefits of growth
- More visible planning for complete communities

Risks for Kitchener

- Growth becomes associated primarily with disruption
- Resistance to intensification increases
- Infrastructure frustrations weaken confidence in planning
- Residents perceive growth as reducing quality of life

Opportunities for Kitchener

- Position the City as proactively managing growth
- Connect growth to affordability and economic opportunity
- Demonstrate how infrastructure investments support growth
- Build a stronger narrative around complete and connected communities

2. Infrastructure and maintenance are becoming visible tests of competence

Infrastructure is one of the most tangible ways residents evaluate municipal performance. Roads, sidewalks, potholes, traffic flow, snow clearing, stormwater systems, construction management, and public realm maintenance are experienced daily and often serve as visible indicators of whether residents believe the City is functioning effectively.

This trend is becoming increasingly important as municipalities across Ontario face growing infrastructure pressures. The Association of Municipalities of Ontario estimates municipalities will require between \$250 billion and \$290 billion in infrastructure investment over the next decade, with approximately \$100 billion tied directly to growth-related needs³.

The timing of the current resident survey is also relevant. Conducted at the end of winter, the survey coincided with a period when road conditions, potholes, and infrastructure wear are particularly visible to residents.

Increasingly, infrastructure is not simply viewed as a technical issue. It is becoming a proxy for competence, responsiveness, and value for money.

Key local signals

- Increased attention to roads, potholes, and traffic conditions
- Growing infrastructure demands associated with population growth
- Rising public scrutiny of maintenance and repair timelines
- Greater sensitivity to construction disruption
- Continued pressure on municipal capital budgets

Why this matters for Kitchener

Residents may not always be aware of the complexity of infrastructure planning, but they are highly aware of its visible outcomes. Infrastructure conditions often shape broader perceptions of municipal performance.

Strong performance in infrastructure and maintenance can reinforce confidence, while visible deterioration can quickly undermine it.

What residents may increasingly demand

- Faster responses to maintenance issues
- Clearer timelines for infrastructure projects
- Better communication around disruptions and construction
- Stronger evidence of value for tax dollars
- More visible investment in infrastructure renewal

³ AMO estimates that Ontario municipalities are planning for between \$250 billion and \$290 billion in capital investments over the next ten years, with \$100 billion of that related to growth. See the Association of Municipalities of Ontario (AMO) Social and Economic Prosperity Review.

Risks for Kitchener

- Infrastructure concerns overshadow strengths in other service areas
- Declining confidence in the City's ability to keep pace with growth
- Reduced perceptions of value for money
- Greater frustration during periods of sustained disruption

Opportunities for Kitchener

- Make infrastructure investments more visible and understandable
- Improve communication around project timelines and benefits
- Reinforce infrastructure as an investment in quality of life
- Use visible maintenance improvements to build public confidence

3. Public spaces and downtown experience are becoming symbols of civic confidence

Across municipalities in Ontario and Canada, public spaces are taking on greater importance as indicators of community wellbeing and civic confidence. As cities grow, urbanize, and become more diverse, residents increasingly evaluate the health of their community through what they see and experience in shared spaces. Downtown streets, parks, trails, plazas, public gathering spaces, and active transportation corridors have become highly visible measures of whether a city feels safe, connected, vibrant, inclusive, and well-managed. Increasingly, public spaces are where broader issues such as affordability, homelessness, public safety, social connection, and quality of life become most visible to residents.

This trend is also evident in Kitchener. As the city continues to urbanize, public spaces are becoming increasingly important indicators of how residents feel about the city overall. The City's Downtown Vision process engaged nearly 3,000 participants and highlighted priorities including vibrant public spaces, stronger community connections, green space, active transportation, and support for vulnerable populations⁴. Similarly, the Parks Master Plan emphasizes welcoming and connected public spaces that support evolving community needs.

Public spaces are increasingly becoming symbolic. Residents often use them to judge whether the city feels safe, connected, prosperous, and well-managed. As a result, the experience of public spaces is becoming about more than recreation or mobility, it is increasingly shaping broader perceptions of community confidence, belonging, and quality of life.

Key local signals

- Increased use of parks, trails, and public gathering spaces
- Growing expectations around downtown vibrancy

⁴ The City of Kitchener's community-driven vision process engaged nearly 3,000 residents, business owners, and community leaders to shape the future of Downtown Kitchener. See the City of Kitchener's Downtown Vision & Principles report.

- Rising attention to safety and public disorder
- Greater emphasis on walkability and active transportation
- Increased focus on community connection and belonging

Why this matters for Kitchener

Public spaces are where many residents experience the city most directly. The quality, accessibility, and perceived safety of these spaces often influence broader attitudes toward municipal performance and community wellbeing.

As the city grows, maintaining vibrant and welcoming public spaces will become increasingly important to social cohesion and civic confidence.

What residents may increasingly demand

- Safe, clean, and welcoming public spaces
- Improved walkability and active transportation options
- Balanced responses to homelessness and public safety concerns
- More investment in placemaking and community-building
- Vibrant and active downtown environments

Risks for Kitchener

- Downtown challenges disproportionately influence city-wide perceptions
- Safety concerns reduce public space use
- Community connection weakens as the city grows
- Public spaces become sources of polarization

Opportunities for Kitchener

- Use public spaces as tools for building belonging
- Strengthen downtown as a symbol of civic confidence
- Integrate safety, inclusion, and placemaking strategies
- Enhance community pride through public realm investment

4. Local climate resilience is becoming an infrastructure issue

Across municipalities in Canada and around the world, climate change is increasingly being experienced through its impacts on infrastructure and daily life rather than through environmental policy debates alone. Communities are facing more frequent and intense weather events, increasing pressure on stormwater systems, greater risks of flooding and extreme heat, and rising costs associated with maintaining and adapting infrastructure. As a result, climate resilience is becoming less about emissions targets and more about whether communities are prepared to protect residents, public assets, and quality of life in a changing environment.

Residents are often more likely to notice the practical consequences of climate change than the policies designed to address it. Flooding, stormwater issues, extreme heat, tree canopy coverage, infrastructure durability, and emergency preparedness are increasingly shaping perceptions of how well municipalities

are planning for the future. Across the municipal sector, climate adaptation is becoming a core infrastructure and service delivery challenge rather than a standalone environmental issue.

This trend is also evident in Kitchener. The City has already identified stormwater management as a growing challenge, with approximately 75% of the urban area lacking modern stormwater controls, creating increased pressure for infrastructure adaptation and resilience investments. As the city continues to grow and weather patterns become more unpredictable, ensuring infrastructure systems are resilient to future conditions will become increasingly important.

This reflects a broader shift occurring across municipalities. Climate resilience is no longer viewed solely as an environmental objective, it is increasingly an infrastructure, affordability, public safety, and quality-of-life issue that will influence how residents experience and evaluate their community in the years ahead.

Key local signals

- Increased focus on stormwater infrastructure
- Greater attention to extreme weather preparedness
- Growing interest in tree canopy and urban cooling
- Increased infrastructure resilience planning
- Rising public awareness of local climate impacts

Why this matters for Kitchener

Residents are increasingly likely to evaluate climate preparedness through visible local outcomes rather than climate targets alone.

Flood prevention, reliable infrastructure, shaded public spaces, and emergency preparedness are likely to become increasingly important indicators of whether residents believe the City is prepared for future challenges.

What residents may increasingly demand

- Better flood prevention and stormwater management
- More shade, trees, and cooling infrastructure
- Infrastructure designed for extreme weather
- Stronger emergency preparedness planning
- Clear communication about resilience investments

Risks for Kitchener

- Rising infrastructure adaptation costs
- Increased disruption from severe weather events
- Greater pressure on aging infrastructure
- Uneven impacts across neighbourhoods

Opportunities for Kitchener

- Integrate resilience into infrastructure planning
- Position climate adaptation as protecting quality of life

- Expand green infrastructure investments
- Demonstrate long-term preparedness and leadership

5. Kitchener's civic identity is evolving

Kitchener is undergoing an important transition in how it sees itself and how residents experience the city. Historically viewed as an accessible, mid-sized city, Kitchener is increasingly becoming a more urban, diverse, and economically dynamic community.

This evolution creates both opportunity and tension. Residents often want more housing, employment opportunities, amenities, culture, and investment, while simultaneously wanting to preserve affordability, neighbourhood character, community connection, and quality of life.

The City's Strategic Plan reflects this balancing act, emphasizing housing, mobility, climate action, economic prosperity, belonging, participation, and good government. These priorities closely mirror themes emerging from the resident survey, where residents express appreciation for the city today while seeking greater confidence about its future.

As growth accelerates, questions about identity, belonging, and the future character of the city are likely to become increasingly important.

Key local signals

- Continued population growth and diversification
- Greater urbanization and intensification
- Increased focus on belonging and inclusion
- Rising interest in community identity
- Strong public interest in preserving quality of life

Why this matters for Kitchener

A strong civic identity helps residents understand where the city is headed and how they fit within that future. Communities with a strong sense of identity often experience stronger trust, belonging, resilience, and support for long-term change.

As Kitchener evolves, residents will increasingly want reassurance that growth and change can occur without losing the characteristics they value most.

What residents may increasingly demand

- A clearer vision for Kitchener's future
- Growth that protects community character and livability
- Stronger belonging across neighbourhoods and populations
- More opportunities for civic participation
- A compelling narrative connecting growth and quality of life

Risks for Kitchener

- Residents feel disconnected from the city's evolution
- Growth creates fragmentation between communities

- Sense of belonging weakens
- Support for long-term change declines

Opportunities for Kitchener

- Define a stronger future-focused civic identity
- Use growth as a catalyst for belonging and community-building
- Position livability and urbanization as complementary goals
- Strengthen pride in Kitchener's unique character

6. Water supply is becoming a hard limit on growth

For most of Kitchener's history, water has been a background utility. It is increasingly becoming a strategic resource that will influence the city's future growth and competitiveness. As demands on the system increase, water capacity is emerging as an important consideration in decisions related to housing, employment lands, infrastructure investment, and long-term community planning.

Waterloo Region is one of the largest municipalities in Canada to rely almost entirely on groundwater, drawing roughly 80 per cent of its supply from groundwater wells and the remainder from the Grand River.⁵ That model has served the community for over a century, but it has limits.

Those limits became visible at the end of 2025. The Region identified that water demand was approaching available capacity, and in early 2026 it placed a temporary hold on new development approvals across the Mannheim Service Area which supplies all of Kitchener, citing rapid population growth and aging infrastructure.⁶ A Great Lakes pipeline exists as a long-term option, but its cost places it firmly in the category of last resort. In May 2026, Regional Council went further, adopting a “bucket of capacity” allocation policy that assigns each municipality a finite share of water and reviews it quarterly, alongside interim measures intended to recover and add supply.⁷

This changes the nature of the growth conversation. Water is no longer simply something the City delivers. It is becoming a precondition for the growth, housing, and economic development the City is pursuing.

Key local signals

- Water demand approaching system capacity in the Mannheim Service Area
- A temporary pause on new development approvals tied to water supply
- Renewed attention to conservation, efficiency, and water-use restrictions
- Growing tension between housing targets and infrastructure capacity

⁵ Waterloo Region draws roughly 80 per cent of its municipal water from groundwater wells and the remainder from the Grand River. See Region of Waterloo, Water Services; and "Toward Water Sustainability for Waterloo Region," Canadian Water Resources Journal, 2014.

⁶ Region of Waterloo, water capacity constraints and temporary hold on new development approvals, late 2025 to early 2026. See "Water Capacity Constraints Force Temporary Halt on New Developments," The Community Edition, February 11, 2026, communityedition.ca.

⁷ Region of Waterloo, "bucket of capacity" water-allocation policy adopted by Regional Council on May 6, 2026; CBC Kitchener-Waterloo (May 7, 2026).

- Rising long-term costs associated with new supply options

Why this matters for Kitchener

Water supply is formally a Regional responsibility, but residents experience it locally and tend to attribute it to local government broadly. It also sits underneath almost every other municipal priority. Housing targets, intensification, economic development, and population growth all assume the water system can keep pace. When that assumption is questioned, the credibility of the broader growth agenda is questioned with it.

Residents may not follow the technical detail of supply planning, but a development pause is a highly visible signal. It is the kind of event that can shift public confidence quickly, particularly when residents are already asking whether growth is being managed responsibly.

What residents may increasingly demand

- Clear communication about water capacity and supply planning
- Confidence that growth will not outpace essential infrastructure
- Visible investment in conservation and system resilience
- Honest explanation of long-term supply costs and trade-offs
- Assurance that existing residents' water reliability is protected

Risks for Kitchener

- Growth and housing plans constrained by infrastructure capacity
- Water becomes a flashpoint in debates about intensification
- Rising costs flow through to taxes, fees, and development charges
- Public confidence weakens if supply issues feel poorly managed

Opportunities for Kitchener

- Position water planning as evidence of responsible growth management
- Use conservation as a shared and tangible community contribution
- Connect infrastructure investment to long-term affordability and reliability
- Coordinate visibly with the Region on supply strategy and communication

7. Expectations for municipal leadership in Reconciliation are rising

Reconciliation with Indigenous peoples is increasingly understood as a municipal responsibility, not only a federal or provincial one. For Kitchener, the context is unusually direct.

Kitchener and the entire Region sit on the Haldimand Tract, land granted to the Six Nations of the Grand River in 1784, extending six miles on each side of the Grand River. The Six Nations today retain

only a small fraction of that original grant.⁸ This is not distant history; it is the land on which the city grows, and it intersects directly with development, land use, and water.

Local institutions have begun to respond. The cities in the region, in addition to the Region of Waterloo, have established an Office of Reconciliation, Equity, Diversity and Inclusion and a senior reconciliation role, and peer cities such as London have adopted multi-year reconciliation action plans.⁹ Residents, particularly younger ones, increasingly expect their local government to engage meaningfully.

For Kitchener, reconciliation is becoming part of how the city understands its own identity and its responsibilities as it grows.

Key local signals

- The Haldimand Tract context and ongoing questions of land and consent
- Growing municipal and regional reconciliation commitments
- Peer cities adopting formal reconciliation action plans
- Rising public expectation of meaningful engagement
- Intersection of reconciliation with land use and development

Why this matters for Kitchener

Reconciliation connects to the report's civic-identity theme and to the practical realities of growth and land. Done well, it strengthens the legitimacy and inclusiveness of the city's development; done poorly or not at all, it becomes a source of conflict and lost trust.

This is a long-term relationship, not a project with an end date, and residents increasingly judge institutions by whether they take it seriously.

What residents may increasingly demand

- Meaningful, sustained engagement with Indigenous communities
- Reconciliation reflected in planning and land-use decisions
- Visible commitments backed by action
- Education and acknowledgement woven into civic life
- Honesty about the pace and difficulty of the work

Risks for Kitchener

- Reconciliation treated as symbolic rather than substantive
- Conflict over land and development without genuine engagement
- Lost trust, particularly among younger and Indigenous residents
- The city's growth story feels incomplete or contested

⁸ The Haldimand Tract (1784) granted the Six Nations of the Grand River land six miles deep on each side of the Grand River; the Six Nations today retain a small fraction of the original grant. University of Waterloo; Six Nations of the Grand River.

⁹ Region of Waterloo Office of Reconciliation, Equity, Diversity and Inclusion (Director, Truth and Reconciliation appointed 2022); City of London ReconciliAction Plan 2025-2035. london.ca.

Opportunities for Kitchener

- Make reconciliation part of Kitchener's civic identity
- Embed engagement into planning and growth
- Learn from peer-city reconciliation action plans
- Build durable, respectful relationships over time

8. The City's own capacity is becoming part of the story

Most of this report looks at how residents evaluate the City. It is worth turning the lens around. The City's ability to meet rising expectations depends on its own internal capacity: its workforce, its technology, and the way it organizes work.

This is becoming a defining issue for governments everywhere. Deloitte's analysis of government trends argues that the most consequential factor in the years ahead will not be any single technology, but the underlying operating model that determines how work flows and how quickly organizations can adapt.¹⁰ Leading governments are reorganizing around shared digital platforms, smaller mission-focused teams, and the use of AI to deliver more personalized and responsive services.

At the same time, municipalities face a workforce transition. An aging public-sector workforce, competition for skilled talent, and rising service expectations are converging at once. Residents increasingly expect the speed and convenience of the private sector, and the gap between that expectation and municipal capacity is becoming a driver of trust in its own right.

For Kitchener, the question is not only what residents want, but whether the organization is built to deliver it consistently as demand grows.

Key local signals

- Rising resident expectations for digital and responsive service
- Competition for skilled talent across technical and professional roles
- Aging public-sector workforce and approaching retirements
- Growing interest in AI and automation for service delivery
- Pressure to do more without proportional increases in capacity

Why this matters for Kitchener

Service delivery is the foundation of the City's reputation. Residents rate Kitchener well on day-to-day services today, but that performance has to be sustained through a period of rapid growth and rising expectations. The organization's capacity to adapt will increasingly determine whether good intentions translate into visible results.

Technology, and AI in particular, is both an opportunity and a risk. Used well, it can improve responsiveness and free staff for higher-value work. Used poorly, or without attention to privacy and trust, it can erode confidence.

¹⁰ Deloitte Center for Government Insights, "Government Trends 2026: The Future of Government Is Now," 2026, deloitte.com.

What residents may increasingly demand

- Faster, more responsive, and more digital interactions
- Consistent service quality as the city grows
- Transparency about how technology and data are used
- Evidence that the City is modernizing, not just maintaining
- Accessible service for residents who are not digitally connected

Risks for Kitchener

- Expectations outpace the organization's capacity to deliver
- Talent gaps and retirements erode institutional knowledge
- Technology investments raise privacy and trust concerns
- Service inconsistency undermines an otherwise strong reputation

Opportunities for Kitchener

- Modernize service delivery in ways residents can see and feel
- Use AI and automation to improve responsiveness and efficiency
- Invest in workforce renewal, skills, and knowledge transfer
- Frame organizational modernization as a trust-building strategy

9. Downtown vitality is becoming a fiscal question

Across North America, downtowns are undergoing a significant transformation. Historically, downtown vitality was largely driven by office workers commuting into central business districts each day. Increasingly, however, successful downtowns are becoming places where people live, work, gather, and access everyday services. The most resilient downtowns are diversifying beyond traditional office-based activity and creating environments that support residents, workers, visitors, and businesses throughout the day and evening.

Kitchener's downtown reflects this broader transition. Over the past decade, substantial residential intensification has brought thousands of new housing units and residents into the core, helping transform downtown from primarily an employment centre into a growing mixed-use neighbourhood. This growth has contributed to increased evening and weekend activity, expanded demand for restaurants, retail, cultural amenities, and public spaces, and strengthened the role of downtown as both a destination and a place to live.

At the same time, workplace trends continue to reshape downtowns across Canada. The rise of hybrid work has reduced the predictability of daily office attendance, while employers are increasingly prioritizing higher-quality Class A office space, flexible work environments, and amenity-rich locations that help attract and retain talent. Many organizations are seeking smaller, more adaptable office footprints rather than large traditional spaces, creating growing demand for flexibility, shared workspaces, and environments that offer employees access to restaurants, services, public spaces, and cultural amenities.

These shifts are changing how downtown success is measured. The future vitality of downtowns will depend less on daily commuter volumes alone and more on their ability to support a diverse mix of

residential, employment, cultural, recreational, and commercial activity. Downtowns that successfully combine housing, employment, public spaces, entertainment, and everyday conveniences are increasingly proving more resilient to changing work patterns and economic conditions.

For Kitchener, this trend has implications that extend beyond vibrancy. Downtown remains an important employment hub and contributor to the City's assessment base, but its long-term success will increasingly depend on its ability to function as a complete community. Supporting residential growth, maintaining an attractive mix of office space, encouraging small business activity, investing in public spaces, and ensuring access to daily-life amenities will all play a role in sustaining downtown's economic health and civic importance.

This also connects directly to broader trends identified elsewhere in this report. Downtown serves as both a symbol of civic confidence and a focal point for community life. How residents experience downtown increasingly influences perceptions of safety, belonging, economic vitality, and the city's overall direction. As a result, downtown's future is not simply an economic development issue, it is increasingly a question of how Kitchener creates a vibrant, resilient, and attractive urban core that supports both growth and quality of life.

Key local signals

- Continued evolution of hybrid and remote work
- Sensitivity of downtown vibrancy to in-person activity
- Reliance on a healthy commercial assessment base
- Growing interest in mixed-use and residential conversion
- Attention to downtown safety, vibrancy, and foot traffic

Why this matters for Kitchener

Downtown performance shapes both perception and revenue. A strong, active downtown reinforces civic pride and supports the tax base. A struggling one can weigh on both at the same time, and the effects tend to compound.

Because residents read downtown as a barometer of the city's overall health, its trajectory carries weight well beyond its geographic footprint.

What residents may increasingly demand

- A downtown that feels safe, active, and welcoming
- A mix of uses that keeps the core busy beyond office hours
- Visible investment in vibrancy and public life
- Balanced responses to safety and social challenges
- Evidence that downtown investment is paying off

Risks for Kitchener

- Hybrid work weakens downtown activity and the commercial base
- Vacancy pressures feed into property values and revenue
- Safety and vibrancy concerns reinforce each other
- Downtown challenges shape city-wide perceptions disproportionately

Opportunities for Kitchener

- Continue to diversify the downtown toward mixed-use and residential life
- Strengthen the downtown as a talent and innovation anchor
- Use placemaking to support a round-the-clock rather than nine-to-five core
- Position a vibrant downtown as both identity and fiscal strategy

10. Homelessness and visible disorder are testing the social compact

Few issues shape how residents feel about their city as directly as visible homelessness. It is among the clearest signals residents use to judge whether a community is functioning, and in Waterloo Region it has grown sharply.

The Region's most recent Point-in-Time count, conducted in October 2024, identified 2,371 people experiencing homelessness, more than double the 1,085 counted in September 2021, with more than a thousand living unsheltered.¹¹ Chronic homelessness has been rising at roughly 28 per cent a year since 2020.

A series of court decisions related to the encampment at 100 Victoria Street North have highlighted the complex legal, social, and operational challenges municipalities face when responding to homelessness. While a 2026 ruling upheld earlier decisions related to that specific site, the Court was clear that the decision was tied to the unique circumstances of the property and should not be interpreted as applying broadly to other locations in Kitchener. The case nevertheless illustrates a tension now playing out across Ontario: how municipalities balance public safety, the use of shared public spaces, individual rights, shelter capacity, and the broader housing crisis.¹²

For Kitchener, homelessness is experienced downtown, in parks, and along trails, which means it intersects directly with the public-space and civic-confidence themes elsewhere in this report.

Key local signals

- A sharp rise in the number of people experiencing homelessness
- Visible encampments in public spaces, parks, and downtown
- Growing public debate about public safety, encampment management, shelter capacity, and the appropriate use of shared public spaces
- Pressure on emergency services, outreach, and social supports
- Rising tension between housing supply and immediate need

¹¹ Region of Waterloo, 2024 Point-in-Time Count (Oct. 22, 2024): 2,371 people experiencing homelessness, up from 1,085 in September 2021, with 1,009 unsheltered. regionofwaterloo.ca.

¹² Regional Municipality of Waterloo v. Persons Unknown (Ontario Superior Court, January 2023, Justice M.J. Valente), holding that the Region could not clear the 100 Victoria Street North encampment without sufficient available shelter space.

Why this matters for Kitchener

Homelessness is largely a Regional and provincial responsibility, but residents experience it locally and judge the City by how the broader system responds. Visible disorder can erode confidence quickly, even where the City is performing well on its own mandate.

How Kitchener and its partners balance housing and support needs with public safety, accessibility, and the shared use of public spaces will be one of the most visible and challenging tests of local leadership in the years ahead. Residents increasingly expect both meaningful support for vulnerable populations and action that maintains public confidence in the safety and usability of community spaces.

What residents may increasingly demand

- Visible, coordinated action across the City, Region, and Province
- Safe, welcoming, and accessible public spaces
- Coordinated responses that combine support services, shelter capacity, enforcement tools, and clear accountability
- Honest communication about what the City can and cannot control
- Real progress on shelter and supportive housing
- Visible progress in reducing encampments and improving conditions in public spaces

Risks for Kitchener

- Visible homelessness erodes confidence in local institutions
- Public expectations outpace the ability of governments and agencies to demonstrate visible progress
- Public spaces feel less safe or welcoming
- The City absorbs blame for pressures largely outside its mandate

Opportunities for Kitchener

- Lead through visible coordination with the Region and Province
- Communicate clearly about roles, limits, and progress
- Protect the dignity and usability of public space for everyone
- Connect the homelessness response to the broader housing strategy

11. The toxic-drug and mental-health crisis is reshaping public life

Alongside homelessness, the toxic-drug and mental-health crisis has become one of the most visible and painful realities in Waterloo Region. It is both a public-health emergency and, increasingly, a civic-confidence issue.

The drug supply is local, lethal, and unpredictable. The Waterloo Region Integrated Drugs Strategy regularly issues alerts after clusters of overdoses, including 35 reported overdoses over six days in late

2024.¹³ The supply is increasingly contaminated with substances such as xylazine; Health Canada reported that in 2022, three-quarters of xylazine-containing samples analyzed nationally came from Ontario.¹⁴

The policy response has itself become increasingly contested. Decisions regarding supervised consumption services, treatment programs, public-space management, and enforcement approaches have become highly visible and are closely scrutinized by residents. While governments and service providers continue to debate the most effective responses, many residents increasingly evaluate progress through what they see in public spaces and whether conditions appear to be improving.

For Kitchener, the crisis intersects with public space, downtown vitality, and community safety, and with the basic question residents are asking: is anyone in control of this?

Key local signals

- Frequent overdose alerts and an increasingly toxic drug supply
- Visible public drug use in some areas
- Contested decisions about treatment and harm-reduction services
- Strain on paramedics, hospitals, and outreach workers
- Growing public anxiety about safety and disorder

Why this matters for Kitchener

Like homelessness, the toxic-drug crisis sits mainly with the Region and the Province, but it is experienced locally and shapes how residents feel about their city. It is also deeply connected to mental health, housing, and poverty, which makes simple solutions impossible.

Residents do not expect the City to solve addiction or mental-health challenges on its own, but they increasingly expect visible coordination among governments, service providers, health agencies, and enforcement partners. They also expect public spaces to remain safe, welcoming, and accessible while longer-term solutions are pursued.

What residents may increasingly demand

- Coordinated action across health, housing, and social services
- Safe and welcoming public spaces
- Clear communication about treatment and harm-reduction approaches
- Responses that address both the needs of vulnerable individuals and the safety and accessibility of public spaces
- Greater visibility around how governments and community partners are responding to public drug use and related concerns
- Evidence that the crisis is being actively managed

¹³ Waterloo Region Integrated Drugs Strategy, community drug-poisoning alerts (e.g., 35 reported overdoses over six days, Oct. 31 to Nov. 5, 2024). waterlooregiondrugstrategy.ca.

¹⁴ Health Canada, The Emergence of Xylazine in Canada (2023): in 2022, 75 per cent of xylazine-containing samples analyzed by the Drug Analysis Service originated in Ontario. canada.ca.

Risks for Kitchener

- Visible drug use undermines confidence in public space
- Service decisions become polarizing flashpoints
- Front-line services are overwhelmed
- The City absorbs blame for a system-wide crisis

Opportunities for Kitchener

- Convene and coordinate partners around a shared response
- Support coordinated approaches that improve outcomes for vulnerable individuals while maintaining confidence in public spaces
- Communicate openly about progress, challenges, and the roles of different organizations in responding to the crisis
- Connect the response to housing, mental-health, and poverty strategies

12. Community safety is increasingly a question of perception

Community safety is becoming a more prominent concern, and the gap between how safe a place is and how safe it feels is widening. Both matter, but perception increasingly drives confidence.

Kitchener starts from a position of strength. In the City's own recent resident survey, nearly 80 per cent of residents said they feel safe in their neighbourhoods.¹⁵ That is a genuine asset and should be stated plainly.

But safety perception is closely tied to visible disorder, and the homelessness and drug-crisis pressures described above can erode it quickly. Across Ontario, community safety and well-being planning is now a legislated municipal responsibility,¹⁶ reflecting a shift toward treating safety as a shared, upstream challenge rather than a purely policing one.¹⁷

For Kitchener, the task is to protect a real strength: residents who feel safe in and connected to their neighbourhoods.

Key local signals

- High but potentially fragile neighbourhood safety perception
- Close coupling of safety perception to visible disorder
- Legislated community safety and well-being planning
- Growing interest in upstream, preventative approaches
- Heightened public sensitivity to incidents and disorder

¹⁵ City of Kitchener resident survey (Abacus Data, April 2026): nearly 80 per cent of residents report feeling safe in their neighbourhoods.

¹⁶ [Community Safety and Wellbeing Plan | Region of Waterloo](#)

¹⁷ Community Safety and Well-Being planning is required of Ontario municipalities under the Police Services Act as amended by the Safer Ontario Act, 2018 (Bill 175).

Why this matters for Kitchener

Because the report's central concern is confidence, perceived safety matters enormously. A city where people feel safe is a city where people invest, gather, and put down roots.

The risk is not a sudden collapse in safety, but a slow erosion of confidence if visible disorder is poorly managed and residents stop feeling at ease in shared spaces.

What residents may increasingly demand

- Neighbourhoods that feel safe and welcoming
- Upstream investment in prevention and well-being
- Visible, balanced responses to disorder
- Coordination across police, social services, and the City
- Communication that neither alarms nor dismisses

Risks for Kitchener

- Perceived safety erodes even if measured safety holds
- Fear reshapes how residents use public space
- Safety debates become polarized
- Confidence in local institutions weakens

Opportunities for Kitchener

- Build on a strong foundation of neighbourhood safety
- Lead on upstream, well-being-based approaches
- Pair real action with calm, honest communication
- Treat perceived safety as a core measure of success

Concluding Observations: Municipal Trends

Taken together, these trends point to a city entering one of the most important periods in its evolution.

Kitchener's challenge over the next decade will not simply be managing growth, delivering services, or maintaining infrastructure. It will be demonstrating that the city can successfully navigate a period of increasing complexity while maintaining public confidence.

Many of the pressures identified in this section are interconnected. Growth creates demand for housing, infrastructure, water capacity, and community amenities. Housing affordability influences perceptions of opportunity and belonging. Homelessness, mental health challenges, and public safety concerns shape how residents experience public spaces. Climate resilience affects infrastructure planning, fiscal priorities, and quality of life. Technology and workforce pressures influence the City's ability to deliver services effectively. Reconciliation increasingly shapes how the community thinks about growth, land, and civic identity.

Viewed individually, these trends can appear as separate challenges. Viewed together, they point to a broader reality:

Kitchener is moving from an era of managing growth to an era of managing complexity.

The most successful municipalities over the next decade are unlikely to be those that solve every challenge independently. They will be the ones that demonstrate they can:

- anticipate emerging pressures,
- coordinate across jurisdictions,
- communicate openly about trade-offs,
- maintain trust during periods of change,
- and help residents feel confident about the future.

Several strategic themes emerge:

- Growth will increasingly be judged by how well it is managed rather than how much occurs.
- Infrastructure, water, and climate resilience will become foundational tests of preparedness.
- Public spaces will remain critical to perceptions of safety, belonging, and civic confidence.
- Organizational capacity and modernization will increasingly shape resident expectations.
- Housing, homelessness, mental health, and community safety will require coordinated responses across governments.
- Civic identity, reconciliation, and belonging will become increasingly important in maintaining social cohesion during periods of change.

Ultimately, Kitchener's future success will depend not only on its ability to accommodate more people, more housing, and more economic activity. It will depend on whether residents continue to believe the city is becoming a better place to live as it grows.

That may be the central challenge, and the central opportunity, facing Kitchener over the next decade.

This creates a much stronger bridge into the final synthesis section because it connects all 12 municipal trends into one coherent narrative: the future of Kitchener is fundamentally about maintaining confidence while managing increasing complexity.

Provincial and National Trends Shaping Kitchener

Provincial and National trends represent the broader structural forces reshaping Canadian communities over the next decade. While municipalities like Kitchener do not directly control these trends, they increasingly influence local affordability, housing demand, economic opportunity, infrastructure needs, public expectations, demographic change, and trust in institutions.

Many of the challenges residents experience locally originate within larger national systems. Housing affordability, immigration, healthcare access, workforce transformation, economic competitiveness, population aging, and fiscal pressures all influence how residents evaluate their quality of life and their confidence in the future.

Canada is entering a period where several long-term transitions are occurring simultaneously. The country is growing rapidly while also aging. Housing demand continues to outpace supply. Economic growth is increasingly tied to innovation and productivity improvements. Healthcare systems face growing strain. At the same time, affordability pressures are reshaping how Canadians think about government, opportunity, and economic security.

These trends are not isolated. They interact with one another in ways that amplify their impact. Housing influences labour mobility. Productivity influences wages and affordability. Population growth affects housing, healthcare, and infrastructure demand. Trade uncertainty shapes employment and investment decisions. Together, they are redefining the conditions under which municipalities operate.

For Kitchener, these trends matter because they increasingly shape the environment in which local decisions are made. While many of the solutions sit with provincial and federal governments, residents often experience the consequences locally and look to municipal government for leadership, coordination, advocacy, and visible progress.

The following trends represent the national forces most likely to influence Kitchener's future over the next decade.

1. Canada's housing system is undergoing a structural reset

Housing affordability has become one of Canada's defining economic and social challenges. What was once largely concentrated in major metropolitan areas has evolved into a national issue affecting communities of all sizes. Housing now influences economic competitiveness, labour mobility, household formation, population retention, and perceptions of fairness and opportunity.

CMHC estimates Canada will need between 430,000 and 480,000 new homes annually through 2035 to restore affordability to pre-pandemic levels, nearly double the current pace of construction¹⁸. This gap

¹⁸ See CMHC estimates Canada will need between 430,000 and 480,000 new homes annually through 2035 to restore affordability to pre-pandemic levels, nearly double the current pace of construction. See the Canada Mortgage and Housing Corporation's (CMHC) Housing Supply Gap Estimates report.

reflects not only supply constraints, but also challenges related to labour shortages, infrastructure capacity, development costs, financing conditions, and population growth.

Housing has also become increasingly tied to public confidence. For younger Canadians in particular, access to housing is increasingly viewed as a measure of whether they can build a stable future in their community.

Key provincial/national signals

- Housing affordability remains one of Canadians' top concerns
- Federal and provincial governments are increasingly focused on housing supply
- Municipalities are under pressure to accelerate approvals and support density
- Housing is increasingly linked to economic competitiveness and workforce attraction
- Intergenerational concerns around housing access continue to grow

Why this matters for Kitchener

Kitchener faces many of the same pressures affecting fast-growing mid-sized cities across Canada. Residents increasingly want more housing options and improved affordability while also expressing concerns about congestion, infrastructure pressure, neighbourhood change, and growth management.

Even when local progress occurs, residents may continue evaluating affordability through broader national housing conditions.

What residents may increasingly demand

- Faster housing delivery
- More attainable rental and ownership options
- Stronger advocacy to senior levels of government
- Clearer explanations of municipal versus provincial and federal responsibilities
- Evidence that growth is improving affordability

Risks for Kitchener

- Housing frustration persists despite local action
- Affordability concerns weaken confidence in local institutions
- Resistance to density increases
- Younger residents lose confidence in their ability to stay in the city

Opportunities for Kitchener

- Position the City as a proactive housing partner
- Strengthen relationships with provincial and federal governments
- Improve communication around housing progress and trade-offs
- Connect housing delivery to broader economic and quality-of-life goals

2. Municipal governments are being asked to do more without matching fiscal capacity

Across Canada, municipalities are increasingly expected to respond to challenges that extend far beyond traditional local government responsibilities. Housing, homelessness, climate adaptation, mental health, public safety, infrastructure renewal, economic development, and social wellbeing are all placing new demands on municipal governments.

At the same time, municipalities continue to rely primarily on property taxes, development charges, user fees, and intergovernmental transfers. Organizations such as the Federation of Canadian Municipalities and the Association of Municipalities of Ontario have repeatedly argued that municipal revenue tools have not kept pace with the expanding responsibilities municipalities are expected to manage.

This is creating a widening gap between public expectations and municipal capacity. Residents increasingly expect local governments to solve complex challenges, while remaining highly sensitive to taxes, fees, and affordability pressures.

Key provincial/national signals

- Growing infrastructure deficits across Canada
- Increasing focus on housing-enabling and growth-supporting infrastructure and its associated costs
- Rising costs associated with housing and homelessness
- Increased climate adaptation requirements
- Greater public scrutiny of taxes and spending
- Continued calls for municipal fiscal reform

Why this matters for Kitchener

Kitchener faces the same challenge confronting municipalities across the country: residents expect visible action on housing, growth, infrastructure, and community services, but often have limited awareness of the fiscal constraints and infrastructure investments required to support that growth. As affordability concerns increase, expectations for value, efficiency, and transparency are likely to grow.

As affordability concerns increase, expectations for value, efficiency, and transparency are likely to grow.

What residents may increasingly demand

- Clearer explanations of municipal finances
- Greater transparency around spending decisions
- More visible value for taxes and fees
- Stronger advocacy to provincial and federal governments
- Better communication about trade-offs

Risks for Kitchener

- Rising service expectations without matching resources
- Infrastructure development and renewal pressures intensify

- Infrastructure renewal pressures intensify
- Declining perceptions of value for money
- Operational strain on municipal systems

Opportunities for Kitchener

- Strengthen public understanding of municipal finances
- Improve transparency around budgeting and investment decisions
- Build trust through fiscal accountability
- Position the City as an advocate for sustainable municipal funding

3. Economic insecurity is becoming a defining experience for middle-income Canadians

While unemployment remains relatively low by historical standards, many middle-income households are experiencing growing financial pressure. Housing costs, childcare, transportation, debt servicing, insurance, and everyday expenses have increased significantly over the past decade.

This pressure is particularly evident among Canadians in their mid-30s to late-40s who are simultaneously managing housing costs, raising children, supporting aging parents, and planning for retirement. For many households, financial stress is no longer limited to lower-income populations.

This trend is important because middle-income households have traditionally represented the economic and social backbone of many communities. When these households feel less secure, perceptions of affordability, taxation, government performance, and future opportunity often weaken.

Key provincial/national signals

- Rising household debt burdens
- Growing concerns about affordability among middle-income Canadians
- Increased pressure on families with children
- Slowing optimism about long-term financial security
- Greater sensitivity to taxes and user fees

Why this matters for Kitchener

Kitchener's resident survey shows similar patterns, with confidence and satisfaction often softest among mid-life residents facing the greatest affordability pressures.

This group represents a large share of homeowners, renters, taxpayers, commuters, and active users of municipal services. Their perceptions will play an increasingly important role in shaping public confidence.

What residents may increasingly demand

- Greater focus on affordability, particularly housing affordability
- Practical improvements to daily life
- Visible value from taxes and fees
- Economic development focused on stable employment and income growth

- Policies that reduce financial pressure on households

Risks for Kitchener

- Greater skepticism toward growth and investment
- Reduced support for tax increases
- Lower confidence in municipal direction
- Increasing frustration among key resident groups

Opportunities for Kitchener

- Position investments around stability and quality of life
- Connect affordability, mobility, housing, and recreation into one narrative
- Demonstrate tangible benefits of municipal services
- Reinforce the City's role in supporting household stability

4. Expectations of government are becoming more immediate and performance-based

Across Canada, trust in institutions is increasingly tied to visible performance rather than institutional loyalty. Residents increasingly expect governments to communicate clearly, respond quickly, demonstrate progress, and explain decisions transparently.

Digital technology is accelerating this trend. Citizens increasingly compare interactions with government to experiences they have with private-sector organizations that provide real-time updates, rapid responses, and personalized services.

As a result, trust is increasingly earned through visible delivery and responsiveness rather than assumed.

Key provincial/national signals

- Growing demand for transparency and accountability
- Increased expectation for digital service delivery
- Less patience for lengthy processes
- Greater emphasis on measurable outcomes
- Rising scrutiny of public spending

Why this matters for Kitchener

The resident survey highlights that perceptions of listening, transparency, and accountability remain weaker than perceptions of service delivery.

This suggests future trust may depend less on what the City does and more on whether residents can clearly see, understand, and connect with those actions.

What residents may increasingly demand

- Faster communication
- More visible reporting on progress
- Stronger accountability mechanisms

- Better follow-through after engagement
- Simpler and more accessible communication

Risks for Kitchener

- Communication gaps become trust gaps
- Delays attract greater scrutiny
- Residents become disengaged from consultation processes
- Good performance fails to translate into public confidence

Opportunities for Kitchener

- Use dashboards and public reporting tools
- Improve responsiveness and issue tracking
- Simplify communication
- Make trust and transparency strategic priorities

5. Population growth and migration are reshaping Canadian communities

Canada's population is becoming larger, older, more diverse, and increasingly concentrated in urban and mid-sized communities. Immigration remains central to Canada's economic and demographic strategy, while governments continue adjusting policies to better align population growth with housing and infrastructure capacity.

Statistics Canada reports that population growth patterns continue to evolve as temporary resident levels, immigration targets, workforce needs, and housing constraints interact.

This demographic transformation is changing the needs and expectations of communities. Different populations increasingly require different housing types, transportation options, recreation opportunities, public spaces, and service models.

The challenge for municipalities is no longer simply accommodating growth. It is ensuring growth translates into belonging, inclusion, and community connection.

Key provincial/national signals

- Continued population growth through immigration
- Increasing diversity in mid-sized cities
- Population aging
- More varied household structures
- Growing competition for talent and workforce retention

Why this matters for Kitchener

Kitchener is already experiencing many of these changes. Population growth, diversity, and changing household structures are reshaping housing demand, recreation needs, transportation patterns, and expectations around inclusion and belonging.

Future success will depend not only on accommodating growth, but on ensuring residents feel connected to the community.

What residents may increasingly demand

- More inclusive and accessible services
- Stronger support for belonging and integration
- Housing options suited to different life stages
- More culturally responsive programming and public spaces
- Better alignment between growth and infrastructure

Risks for Kitchener

- Uneven experiences of belonging
- Pressure on housing and community infrastructure
- Greater fragmentation across demographic groups
- Increased competition for workforce talent

Opportunities for Kitchener

- Position the City as welcoming and future-focused
- Strengthen neighbourhood-level belonging
- Use diversity as an economic and cultural advantage
- Align growth with investments in community connection

6. Canada's productivity challenge is becoming a competitiveness problem

Behind the affordability and economic-insecurity pressures Canadians feel sits a deeper structural issue: weak productivity growth. It is the quiet force shaping wages, investment, and living standards over the long term.

The evidence has become hard to ignore. The OECD has noted that Canada's GDP per capita has lagged peer countries and is projected to keep falling, driven by sluggish productivity gains.¹⁹ McKinsey describes a productivity pinch and estimates that seizing growth opportunities could leave Canadian households roughly \$16,000 better off by 2035.²⁰ The Bank of Canada has gone further, describing weak productivity as an emergency.

This matters locally because productivity is ultimately about whether the economy can generate rising incomes, stronger business growth, and improved living standards. When productivity stalls, affordability pressures intensify, public finances tighten, and confidence in the future weakens. These are the same pressures residents are already describing.

It also matters because the investment, innovation, and talent needed to improve productivity have to happen somewhere. Kitchener is well positioned in this regard. The city benefits from one of Canada's

¹⁹ OECD, "OECD Economic Surveys: Canada 2025," May 2025, [oecd.org](https://www.oecd.org/).

²⁰ McKinsey, "Canada's Productivity Pinch," 2025, [mckinsey.com](https://www.mckinsey.com/).

strongest innovation ecosystems, anchored by employers in technology and advanced industries and supported by a significant post-secondary talent pipeline through the University of Waterloo, Wilfrid Laurier University, and Conestoga College. Together, these institutions help attract, develop, and retain the highly skilled workforce that increasingly drives economic growth and productivity.

At the same time, the factors shaping productivity are evolving rapidly. Artificial intelligence, automation, and digital technologies have the potential to significantly improve productivity across many sectors, creating opportunities for stronger economic growth and competitiveness. However, they may also disrupt existing jobs, alter skill requirements, and create uncertainty for workers and employers alike. Similarly, the long-term effects of hybrid and remote work remain uncertain. While they can improve flexibility and expand access to talent, they may also reshape collaboration, innovation, office demand, and the economic activity traditionally generated by concentrated employment centres.

For Kitchener, the challenge is not simply participating in Canada's productivity agenda but helping shape it. The city's ability to leverage its talent pipeline, innovation ecosystem, and emerging technologies while supporting workforce adaptation will play an important role in determining its long-term economic competitiveness and prosperity.

Key provincial/national signals

- Real GDP per capita stagnating relative to peer countries
- Persistent gap in business investment and productivity growth
- Widening competitiveness gap with the United States
- Growing policy attention to innovation and investment
- Rising concern about long-term living standards

Why this matters for Kitchener

Kitchener's residents experience the productivity problem indirectly, through affordability, wages, and economic confidence. But the region also has an unusual stake in the solution, given its concentration of technology, research, and talent.

This creates an opportunity to frame local economic development not only as a local benefit, but as part of a national priority.

What residents may increasingly demand

- Economic development focused on stable and well-paying jobs
- Support for innovation, investment, and local business growth
- Practical improvements that ease everyday affordability
- A clear connection between local growth and household prosperity
- Confidence that the city is positioned for the future economy

Risks for Kitchener

- Affordability pressures persist as incomes stagnate nationally
- Investment uncertainty slows local economic momentum
- Talent and capital are drawn to more competitive jurisdictions
- Economic anxiety weakens support for growth and change

Opportunities for Kitchener

- Position the region as central to Canada's productivity agenda
- Strengthen the innovation and research ecosystem
- Connect economic development to household prosperity
- Attract investment by leaning into existing strengths

7. The innovation economy is concentrating, with uneven exposure

Kitchener and Waterloo together form one of Canada's most important technology and innovation centres, and that shapes the city's prospects in ways most mid-sized cities do not share.

The scale is significant. The Waterloo area recorded the second-fastest tech talent growth in Canada in recent years, and technology now accounts for close to 12% of the regional workforce, behind only Ottawa.²¹ Independent analysts have argued that Waterloo represents Canada's strongest opportunity to build a technology cluster at genuine scale.²²

A key part of this success is the region's post-secondary ecosystem. The University of Waterloo, Wilfrid Laurier University, and Conestoga College collectively attract tens of thousands of students, support research and commercialization, and provide a steady pipeline of highly skilled graduates. These institutions have helped establish the region as a destination for talent, entrepreneurship, and innovation, while also supplying many of the workers that local businesses depend upon for growth.

This is a real advantage. It is also a source of concentration. The same knowledge-based, white-collar roles that anchor the local economy are among those most exposed to disruption from artificial intelligence, automation, and evolving workplace models, themes explored elsewhere in this report. Competition for talent is also becoming increasingly global, with Kitchener competing not only with Toronto and other Canadian technology centres, but with innovation hubs across North America and beyond.

At the same time, the future of innovation is likely to look different from the one that built the region's success. Artificial intelligence has the potential to accelerate productivity and create new opportunities for businesses and entrepreneurs, but it may also reshape workforce requirements and disrupt some of the very occupations that currently drive the local economy. Hybrid and remote work similarly create both opportunities and risks, expanding access to talent while reducing some of the geographic advantages that have traditionally benefited concentrated innovation clusters.

For Kitchener, the innovation economy is both an engine of opportunity and a source of exposure. The city's long-term competitiveness will depend not only on attracting investment and talent, but also on its ability to leverage its post-secondary institutions, support workforce adaptation, and ensure that the benefits of innovation continue to translate into broad-based economic prosperity.

²¹ CBRE, "Scoring Canadian Tech Talent 2025," summarized by Waterloo EDC, November 2025, waterlooeedc.ca.

²² Information Technology and Innovation Foundation, "Building Canada's Tech Cluster in Waterloo," July 2025, itif.org.

Key provincial/national signals

- Rapid growth and high density of technology employment
- Intensifying competition for skilled talent
- Rising exposure of knowledge work to AI disruption
- Growing recognition of regional innovation clusters
- Pressure on housing and infrastructure from talent attraction

Why this matters for Kitchener

The innovation economy drives much of Kitchener's growth, identity, and prosperity. It also concentrates the city's exposure to technological change and talent competition. A downturn or disruption in the sector would be felt locally more sharply than in most communities.

This makes economic resilience and talent retention strategic priorities, not background concerns.

What residents may increasingly demand

- Stable, diverse, and well-paying employment opportunities
- Support for workers adapting to technological change
- Housing and infrastructure that keep pace with talent growth
- A local economy that is resilient as well as dynamic
- Pathways into the innovation economy for local residents

Risks for Kitchener

- Heavy reliance on a single and fast-changing sector
- AI disruption concentrated in local knowledge work
- Talent and investment lost to competing jurisdictions
- Growth pressures on housing and infrastructure intensify

Opportunities for Kitchener

- Build on a genuine and nationally significant strength
- Diversify and deepen the local economy over time
- Support workforce adaptation and reskilling
- Use the innovation brand to attract investment and talent

8. Population aging is accelerating

Canada is getting older, and the pace is picking up. This is one of the most predictable forces shaping the next decade, and one of the most consequential for how municipalities deliver services.

The scale is clear. Seniors are projected to make up roughly one in four Canadians by 2036, and the large majority of older Canadians live in urban areas.²³ An aging population reshapes demand across housing, transportation, recreation, and public space.

²³ Government of Canada, "On the Road to Age-Friendly Communities," Public Health Agency of Canada; with seniors projected to reach roughly one in four Canadians by 2036, canada.ca.

The municipal role is significant. The Mental Health Commission of Canada has emphasized that age-friendly communities, through housing, transportation, mobility, and inclusive public space, directly reduce social isolation and support wellbeing.²⁴ Many of the same investments that serve older residents also benefit everyone.

For Kitchener, aging intersects with the areas residents already value most, including recreation, parks, and libraries, which makes it a natural extension of the city's existing strengths.

Key provincial/national signals

- Rising share of the population aged 65 and older
- Growing demand for accessible housing and transportation
- Increased focus on age-friendly community design
- Greater attention to social isolation among older adults
- Changing demand for recreation and public space

Why this matters for Kitchener

Kitchener's reputation rests in part on services that an aging population relies on heavily, including recreation, parks, transit, and accessible public space. As the population ages, demand in these areas will grow and change.

Age-friendly design also tends to be inclusive design. Investments that support older residents frequently improve accessibility and quality of life across all ages.

What residents may increasingly demand

- Accessible housing options suited to different life stages
- Reliable and accessible transportation and mobility
- Age-friendly parks, recreation, and public spaces
- Programs that reduce isolation and support connection
- Services designed with older residents in mind

Risks for Kitchener

- Service demand shifts faster than planning anticipates
- Accessibility and mobility gaps affect older residents
- Social isolation rises among aging populations
- Housing options fail to match changing needs

Opportunities for Kitchener

- Build on existing strengths in recreation and public space
- Use age-friendly design to benefit all residents
- Position inclusion and accessibility as community values
- Connect aging, housing, and mobility into one strategy

²⁴ Mental Health Commission of Canada, "Municipalities and the Aging Population," mentalhealthcommission.ca.

9. Access to primary care is becoming a defining public concern

Access to a family doctor has moved from a quiet worry to a defining public concern, and although health care is a provincial responsibility, residents experience the shortage locally and intensely.

The Ontario Medical Association reported in late 2025 that more than 2.5 million Ontarians lack a family physician, that 52 per cent of family doctors are considering retirement within five years, and that only 42 per cent of Ontario medical students are considering family medicine.²⁵ The OMA and the College of Family Physicians have projected that roughly one in four Ontarians could be without a family doctor by 2026.²⁶

The Province has responded with a Primary Care Action Team and a multi-billion-dollar commitment to connect every Ontarian to primary care by 2029.²⁷ Some municipalities have begun treating physician recruitment as part of their own economic-development and quality-of-life mandate.

For Kitchener, primary-care access is a powerful test of whether the community feels prepared for the future, and one residents increasingly raise even though the City does not run the health system.

Key provincial/national signals

- Millions of Ontarians without a family physician
- A large share of family doctors approaching retirement
- Declining interest in family medicine among trainees
- Provincial investment in primary-care access
- Municipalities entering physician recruitment

Why this matters for Kitchener

Primary-care access shapes how secure residents feel about the future, and it interacts with aging, growth, and newcomer settlement. A growing city without growing primary-care capacity is a city under strain.

Residents do not expect the City to fix health care, but they increasingly expect it to advocate, to help attract providers, and to plan for the health needs of a growing population.

What residents may increasingly demand

- Strong advocacy for local health-care capacity
- Support for attracting and retaining providers

²⁵ Ontario Medical Association, "Ontario's doctors release new data on family doctor shortage" (Dec. 4, 2025): more than 2.5 million Ontarians without a family physician; 52 per cent of family doctors considering retirement within five years; 42 per cent of medical students considering family medicine; about 3,500 new family doctors needed. oma.org.

²⁶ Ontario Medical Association and Ontario College of Family Physicians (2024 forecast): roughly 4.4 million Ontarians, about one in four, could be without a family doctor by 2026.

²⁷ Ontario Primary Care Action Team (led by Dr. Jane Philpott); provincial investment scaled to approximately \$3.4 billion (Budget 2026), with a goal of connecting every Ontarian to primary care by 2029. ontario.ca.

- Planning that connects growth to health-care needs
- Clear communication about the City's role and limits
- Attention to the needs of an aging, growing population

Risks for Kitchener

- Health-system strain deepens residents' sense of precarity
- Growth outpaces primary-care capacity
- Newcomers and seniors are disproportionately affected
- The City is pressed to act beyond its mandate

Opportunities for Kitchener

- Advocate forcefully for regional health-care capacity
- Support physician attraction as economic development
- Connect health needs to growth and settlement planning
- Position the City as a constructive partner in the system

10. Food insecurity has reached the middle class

Food insecurity is one of the most legible measures of household stress, and it has reached levels that would have been hard to imagine a few years ago, increasingly touching working households, not only those on social assistance.

The Food Bank of Waterloo Region recorded roughly 622,000 visits to its hamper programs and distributed a record 9.6 million pounds of food in its most recent year, with about one in nine households now relying on food support.²⁸ Provincially, Feed Ontario reported more than a million people making nearly nine million food-bank visits, three-quarters of them renters and about a quarter of them employed.²⁹

Perhaps the most telling detail is that food banks increasingly report former donors becoming clients. This is the precarity mindset made concrete: people who once felt secure no longer do.

For Kitchener, food insecurity is a vivid local expression of the national affordability and economic-insecurity trends, and a signal of how thin many households' margins have become.

Key provincial/national signals

- Record food-bank use locally and provincially
- A growing share of users who are employed or renting
- Former donors becoming clients
- Affordability pressures spreading into the middle class

²⁸ Food Bank of Waterloo Region, 2025 Community Impact Report: approximately 622,000 visits to hamper programs and a record 9.6 million pounds of food distributed, with roughly one in nine households relying on food support. [thefoodbank.ca](https://www.foodbank.ca).

²⁹ Feed Ontario, Hunger Report 2025: 1,007,441 people made 8,712,897 food-bank visits; 76 per cent of users were rental tenants; about one in four were employed. [feedontario.ca](https://www.feedontario.ca).

- Rising demand on community organizations

Why this matters for Kitchener

Food insecurity is a downstream symptom of housing costs, stagnant incomes, and economic precarity. It is largely outside the City's direct mandate, but it shapes the lived reality of residents and the demand on community services the City supports.

It is also one of the clearest indicators that the affordability crisis is no longer confined to the most vulnerable.

What residents may increasingly demand

- Support for community organizations and food programs
- Attention to affordability in City decisions
- Recognition of the spread of insecurity into the middle class
- Coordination across the City, Region, and community sector
- Honest acknowledgement of the pressures households face

Risks for Kitchener

- Rising insecurity deepens the precarity mindset
- Community organizations are overwhelmed
- Affordability pressures fuel broader discontent
- The middle class feels increasingly squeezed

Opportunities for Kitchener

- Support and convene the community food sector
- Factor affordability into City decisions where possible
- Use local data to inform advocacy
- Acknowledge and validate the reality residents are living

11. Trade disruption and tariffs are reshaping the regional economy

The trade relationship with the United States has long been a cornerstone of Ontario's economy, particularly for manufacturing, automotive production, and integrated supply chains. More recently, however, tariffs, trade tensions, and the upcoming review of the Canada-United States-Mexico Agreement (CUSMA) have introduced a new level of uncertainty into long-term economic planning. While the ultimate impacts remain uncertain, Kitchener-Cambridge-Waterloo is among the Canadian regions most exposed to changes in the Canada-U.S. trading relationship. A 2025 analysis by the Canadian Chamber of Commerce ranked the region as the fourth most vulnerable economic region in Canada to proposed U.S. tariffs, highlighting the importance of monitoring this issue closely³⁰.

Manufacturing remains a significant part of the regional economy, and both the Region of Waterloo and the Financial Accountability Office of Ontario have identified the region's exposure to prolonged trade

³⁰ See The City of Kitchener Tariff Response and Resources

disruption.³¹ The Financial Accountability Office of Ontario has also modelled potential job and output losses under scenarios involving sustained tariffs.³² While these scenarios are not forecasts, they illustrate how prolonged trade barriers could affect communities with strong concentrations of manufacturing, automotive production, logistics, advanced industries, and export-oriented businesses.

At the same time, the regional economy possesses important strengths that can help mitigate these risks over the longer term. Kitchener benefits from a diversified economic base that extends beyond traditional manufacturing to include technology, post-secondary education, professional services, and advanced industries. These sectors provide greater resilience than many manufacturing-dependent communities, although they are not immune to broader economic slowdowns resulting from prolonged trade uncertainty.

The 2026 review of CUSMA adds an additional layer of uncertainty. If the agreement changes significantly, or if tariff pressures persist or escalate, there could be implications for employment, business investment, household confidence, and the industrial and commercial assessment base. For Kitchener, the exposure is both direct and indirect. Directly, many local businesses participate in North American manufacturing and supply chains that depend on stable cross-border trade. Indirectly, slower business investment, employment uncertainty, reduced consumer confidence, and potential impacts on the industrial and commercial assessment base could influence the City's fiscal environment and broader economic outlook. The scale of these impacts will depend largely on the outcome of the CUSMA review and the duration of any future trade measures.

The strategic implication is not that disruption is inevitable. It is that Kitchener should continue planning for a more uncertain trade environment by supporting economic diversification, monitoring regional exposure, and strengthening resilience in partnership with regional and provincial economic-development partners.

Key provincial/national signals

- Kitchener-Cambridge-Waterloo ranked as one of Canada's regions most exposed to proposed U.S. tariffs
- A manufacturing and automotive base concentrated nearby
- Early production adjustments and layoffs in the auto sector
- Uncertainty around the CUSMA review
- Spillover into consumer and business confidence

Why this matters for Kitchener

Trade uncertainty has the potential to affect many of the industries that underpin Kitchener's regional economy. Even if the most severe scenarios do not materialize, prolonged uncertainty can delay

³¹ Region of Waterloo staff analysis (April 2025) estimating the Region among the most tariff-exposed census metropolitan areas in Ontario, with roughly 9.7 per cent of the operating budget (about \$154 million) exposed; reported in The Community Edition.

³² Financial Accountability Office of Ontario, Potential Impacts of US Tariffs on the Ontario Economy (Apr. 30, 2025). fao-on.org.

business investment, affect employment decisions, weaken consumer confidence, and influence municipal revenues through impacts on the industrial and commercial assessment base.

The City is not an economic-development lead, but a weaker regional economy flows directly into household insecurity and into the City's own fiscal position.

What residents may increasingly demand

- A resilient, diversified local and regional economy
- Support for affected workers and businesses
- Stability and predictability wherever possible
- Coordination with regional economic-development partners
- Honest acknowledgement of the risks and uncertainties

Risks for Kitchener

- Sustained tariffs reduce manufacturing activity and business investment
- Job losses or reduced hiring ripple into households and local demand
- The industrial and commercial assessment base comes under pressure
- Economic uncertainty reinforces the broader precarity mindset

Opportunities for Kitchener

- Support economic diversification and resilience
- Partner with regional and provincial economic-development efforts
- Position the region's innovation strengths as an advantage
- Plan prudently for a more volatile economic environment
- Leverage the region's innovation ecosystem and post-secondary institutions to diversify future economic growth

Concluding Observations: Provincial and National Trends

Taken together, these national trends point to a Canada undergoing one of the most significant periods of economic, demographic, and institutional transition in decades.

Housing affordability, population growth, aging, healthcare access, economic competitiveness, technological disruption, fiscal pressures, and changing expectations of government are not occurring independently. They are interacting in ways that increasingly shape how Canadians experience opportunity, security, and quality of life.

For municipalities, this creates a new operating environment.

Residents continue to experience these issues locally, even when their causes originate nationally. Housing shortages are felt in neighbourhoods. Healthcare shortages affect families. Food insecurity appears in local food banks. Trade disruptions affect local employers. Productivity challenges influence wages and affordability. As a result, municipalities increasingly become the place where broader national pressures become visible.

Several strategic themes emerge from these trends:

- Affordability will remain one of the defining lenses through which residents evaluate government performance.
- Housing, healthcare, and population growth will continue to place pressure on local infrastructure and services.
- Economic competitiveness and productivity will increasingly influence community prosperity and household confidence.
- Innovation and technological change will create both significant opportunities and workforce disruption.
- Population aging will reshape housing, transportation, recreation, and service needs.
- Institutional trust will increasingly depend on transparency, responsiveness, and visible results.
- Trade uncertainty and economic volatility will require greater resilience and adaptability from communities.

The broader implication for Kitchener is clear.

The City is not simply managing local issues. It is increasingly operating at the intersection of national systems under strain. Residents may understand that many challenges are beyond municipal control, but they will continue looking to local government to provide leadership, coordination, advocacy, and reassurance.

Ultimately, Kitchener's success over the next decade will depend not only on how effectively it delivers municipal services, but on how effectively it helps residents navigate a period of profound national transformation.

The communities that emerge strongest from this period are likely to be those that can balance growth with affordability, innovation with inclusion, and long-term ambition with day-to-day stability.

For Kitchener, that challenge is not simply about adapting to national change. It is about demonstrating how a growing Canadian city can remain livable, resilient, and confident in the face of it.

Global Trends Shaping Kitchener

Global trends represent the large-scale forces reshaping economies, labour markets, climate risk, technology, public confidence, social connection, and institutional resilience around the world. While these trends may originate far beyond Kitchener, they increasingly influence how residents experience daily life locally and how they evaluate affordability, opportunity, safety, quality of life, and confidence in the future.

The pace of change is accelerating. Economic uncertainty, climate disruption, technological transformation, geopolitical instability, cybersecurity threats, and shifting social dynamics are occurring simultaneously and interacting with one another in ways that were far less common even a decade ago.

Importantly, residents do not experience these forces as separate issues.

A resident concerned about affordability may also be worried about job security. Concerns about climate resilience may overlap with infrastructure reliability. Technological change creates opportunities for economic growth while simultaneously creating uncertainty about future employment. Social isolation, mental health, public safety, and trust in institutions increasingly reinforce one another.

Together, these trends point to a broader shift taking place around the world.

The defining challenge for many communities is no longer simply growth or economic performance. Increasingly, it is resilience: the ability of individuals, institutions, and communities to adapt, remain connected, and maintain confidence amid constant change.

For municipalities like Kitchener, this creates a new reality. Residents may understand that many global forces are beyond local control, but they increasingly expect local governments to help them navigate those forces. In practice, municipalities are becoming the institutions residents look to for stability, preparedness, responsiveness, and reassurance.

The following trends represent the global forces most likely to shape Kitchener's operating environment over the next decade.

1. The shift from scarcity to precarity is reshaping public expectations

Across many advanced economies, people are moving from concerns about temporary affordability strain toward a deeper sense of long-term instability. Scarcity is primarily about not having enough today. Precarity is about uncertainty over whether stability can be maintained tomorrow.

This shift is being reinforced by several overlapping pressures: cost-of-living concerns, geopolitical instability, climate disruption, labour market uncertainty, institutional distrust, and social polarization. The World Economic Forum's *Global Risks Report 2026* describes a world entering a period of sustained turbulence, with geopolitical, societal, environmental, and technological risks converging³³.

³³ See The World Economic Forum's *Global Risks Report 2026*, which outlines how the world is entering a period of sustained turbulence due to the convergence of geopolitical, societal, environmental, and technological risks.

This matters because precarity changes how people evaluate institutions. During periods of uncertainty, residents tend to place greater weight on predictability, competence, affordability, and visible responsiveness. In other words, public confidence becomes less about optimism and more about whether institutions appear capable of protecting stability.

This helps explain why residents can feel relatively satisfied with daily life while becoming less confident about the future. Satisfaction and confidence are no longer the same measure.

Key global signals

- Greater focus on personal financial resilience
- More cautious household decision-making
- Rising skepticism toward institutions and expertise
- Increased emotional fatigue and uncertainty
- Stronger demand for practical and immediate solutions

Why this matters for Kitchener

Kitchener's resident survey reflects many characteristics associated with a precarity mindset. Residents continue to value the city's day-to-day livability, but confidence becomes softer around affordability, infrastructure, growth, and long-term planning.

In this context, residents increasingly evaluate the City not only on whether services work today, but on whether the city feels stable, affordable, manageable, organized, and prepared for future uncertainty.

What residents may increasingly demand

- Stability and predictability from local government
- Practical rather than aspirational priorities
- Visible progress and responsiveness
- Clear value for taxes and fees
- Reassurance that the City is prepared for uncertainty

Risks for Kitchener

- Lower tolerance for taxes, delays, or disruption
- Reduced patience for abstract or long-term messaging
- More pressure for visible short-term outcomes
- Greater skepticism toward institutions during periods of stress

Opportunities for Kitchener

- Position the City as a stabilizing and competent institution
- Connect long-term planning to everyday resident security
- Emphasize practical delivery and visible outcomes
- Reinforce predictability and trust through clear communication

2. Climate volatility is becoming an infrastructure, affordability, and quality-of-life issue

Climate change is increasingly being experienced through practical impacts rather than abstract environmental concern. Around the world, cities are dealing with more intense heat, flooding, stormwater pressure, infrastructure wear, emergency preparedness demands, and rising adaptation costs.

The IPCC notes that climate-related hazards are increasing risks for cities, settlements, and key infrastructure, particularly as urban systems interact with heat, flooding, and other climate hazards³⁴. The Canadian Climate Institute also estimates that proactive adaptation of roads, bridges, storm sewers, and water treatment systems could save governments up to \$9 billion annually in infrastructure costs³⁵.

This means the climate conversation is shifting. It is no longer only about emissions reduction. It is increasingly about adaptation, resilience, cost avoidance, infrastructure protection, and quality of life.

For residents, climate preparedness is likely to be judged through visible local outcomes: whether roads flood, whether parks provide shade, whether stormwater systems work, whether public spaces are usable during heat, and whether the City appears prepared for extreme weather.

Key global signals

- Rising municipal adaptation and infrastructure costs
- Greater focus on urban heat and stormwater resilience
- Increased pressure on roads, bridges, water, and stormwater systems
- More emphasis on emergency preparedness
- Greater scrutiny of climate readiness in public infrastructure

Why this matters for Kitchener

For Kitchener, climate risk will increasingly intersect with infrastructure, affordability, and service delivery. Residents may not evaluate climate action primarily through climate targets. They are more likely to judge it through practical impacts on daily life, including stormwater management, tree canopy, road durability, park resilience, and emergency preparedness.

If climate investments are framed only as environmental commitments, they may feel abstract. If they are framed as protecting homes, roads, parks, public spaces, and long-term affordability, they are likely to feel more directly relevant.

What residents may increasingly demand

- Better flood prevention and stormwater management
- More trees, shade, and cooling infrastructure
- Roads and public spaces designed for extreme weather

³⁴ See the Intergovernmental Panel on Climate Change (IPCC) Sixth Assessment Report (AR6), specifically Working Group II: Impacts, Adaptation and Vulnerability.

³⁵ See the CCI report Prepare or Repair: How climate-proofing public infrastructure pays off.

- Stronger emergency preparedness communication
- Clear evidence that climate investments protect quality of life

Risks for Kitchener

- Rising infrastructure and operating costs
- More visible disruption from severe weather events
- Uneven impacts on vulnerable populations and neighbourhoods
- Climate investments perceived as costly or disconnected from daily life

Opportunities for Kitchener

- Integrate resilience into infrastructure and growth planning
- Position climate adaptation as protecting affordability and livability
- Use green infrastructure to support environmental and community outcomes
- Build public understanding around the long-term value of resilience investments

3. AI and technological disruption are reshaping work, expectations, and trust

Artificial intelligence is rapidly evolving from a technology trend into a major economic and social force. Generative AI is expected to reshape administrative, analytical, customer service, technical, creative, and knowledge-based work. Unlike previous waves of automation, many of the occupations most exposed to disruption are white-collar and middle-income roles that were previously considered relatively stable.

The ILO's 2025 update on generative AI and jobs refined global assessments of occupational exposure using task-level data and expert input³⁶. The OECD has also highlighted AI and population ageing as megatrends shaping labour markets, skills needs, and social cohesion³⁷.

The concern is not only job loss. It is uncertainty. AI may change tasks, reduce some entry-level pathways, shift skill requirements, and increase anxiety about whether workers can adapt quickly enough. For younger workers, AI may affect how people enter careers. For mid-career workers, it may create pressure to reskill. For employers, it may change how work is organized.

At the same time, AI and digital tools are reshaping expectations for government. Residents increasingly expect faster service, real-time information, digital access, personalization, and clearer communication.

Key global signals

- Rapid AI adoption across industries and governments
- Growing concern about job displacement and task disruption
- Increased emphasis on reskilling and lifelong learning
- Rising expectations for digital public services
- Greater concern around privacy, data governance, and algorithmic transparency

³⁶ See the International Labour Organization report "Generative AI and jobs: A 2025 update."

³⁷ See the OECD Ageing and Employment portal.

Why this matters for Kitchener

Kitchener's economy has significant exposure to technology, innovation, education, professional services, and knowledge work. This creates both opportunity and vulnerability. AI can strengthen productivity and competitiveness, but it may also increase employment uncertainty among residents whose roles are exposed to automation or task redesign.

This also matters for the City itself. Residents will increasingly compare municipal service experiences to the speed and convenience of digital private-sector services. If expectations rise faster than municipal capacity, service responsiveness could become an increasingly important driver of trust.

What residents may increasingly demand

- Workforce retraining and adaptation opportunities
- Faster and more responsive municipal services
- Greater transparency around technology and data use
- Digital systems that remain accessible and inclusive
- Economic strategies focused on long-term workforce resilience

Risks for Kitchener

- Greater workforce anxiety and economic insecurity
- Harder career-entry pathways for younger workers
- Rising digital expectations without matching municipal capacity
- Privacy and trust concerns related to AI and automation
- Digital exclusion among some populations

Opportunities for Kitchener

- Position Kitchener as a future-ready workforce city
- Strengthen partnerships around skills development and innovation
- Use technology to improve municipal responsiveness and service efficiency
- Improve transparency through real-time reporting and communication
- Frame digital modernization as improving resident experience and trust

4. Global instability is increasing local economic uncertainty

Geopolitical conflict, trade instability, tariffs, supply chain disruption, inflation pressure, and broader economic volatility increasingly affect local infrastructure costs, housing affordability, municipal budgets, business conditions, and household confidence.

The World Economic Forum's 2026 risk analysis emphasizes global turbulence, including geopolitical and economic risks that affect governments, businesses, and communities³⁸. Even when these pressures originate globally, residents experience them locally through higher prices, project costs, housing pressures, procurement delays, and employment uncertainty.

³⁸ See the official World Economic Forum Global Risks Report 2026 page.

For municipalities, this creates a more unpredictable operating environment. Capital projects become more vulnerable to cost escalation. Infrastructure plans become harder to budget. Businesses may become more cautious. Households may become more defensive in spending decisions.

This reinforces the broader precarity mindset: the feeling that stability is harder to maintain and that systems are more fragile than they once appeared.

Key global signals

- Rising construction and procurement cost volatility
- Greater uncertainty in municipal capital planning
- More cautious business investment behaviour
- Increased focus on economic resilience and diversification
- Growing concern around supply chain vulnerability

Why this matters for Kitchener

Residents may not attribute higher infrastructure costs or housing pressures to global instability, but they experience the consequences locally. If projects cost more, taxes rise, services are delayed, or affordability worsens, residents may still hold local institutions accountable for managing those pressures.

This makes communication about trade-offs more important. The City may need to explain not only what it is doing, but why costs are changing and how it is managing uncertainty.

What residents may increasingly demand

- Clearer communication around economic pressures and trade-offs
- More practical and stability-focused priorities
- Greater support for local businesses and workforce resilience
- Visible efforts to control costs and protect services
- Stronger long-term planning and preparedness

Risks for Kitchener

- Rising infrastructure and operating costs
- Greater affordability pressure on households
- Delays or cost escalation on major projects
- Reduced confidence in long-term affordability and stability
- Increased pressure on municipal budgets and service expectations

Opportunities for Kitchener

- Build resilience into procurement and capital planning
- Strengthen local economic diversification
- Support local business adaptability and resilience
- Improve public understanding of external cost pressures
- Position the City as stable, pragmatic, and prepared

5. Cities are becoming the front line of social and institutional pressure

Globally, cities are increasingly expected to respond to complex social pressures, including affordability, homelessness, mental health, public safety, migration, climate resilience, economic insecurity, and social cohesion. Often, municipalities do not fully control the causes, funding, or policy tools needed to solve these issues.

This creates a structural challenge. Residents experience these issues locally and visibly, even when responsibility is shared across multiple levels of government. Public spaces, downtown areas, transit stops, parks, libraries, shelters, and neighbourhoods become the places where broader social pressures show up.

As a result, municipalities are increasingly becoming the most visible face of institutional performance. Residents may judge local government not only on formal service responsibilities, but on whether daily life feels safe, manageable, connected, and stable.

Key global signals

- Rising expectations of local governments
- More pressure on public spaces and social infrastructure
- Increased overlap between social and infrastructure challenges
- Growing public demand for visible responsiveness
- Greater focus on resilience, wellbeing, and belonging

Why this matters for Kitchener

For Kitchener, this means residents may increasingly evaluate the City based on whether public spaces feel safe and welcoming, homelessness appears managed compassionately and effectively, infrastructure feels reliable, services feel responsive, and the city feels organized and future-ready.

This does not mean the City controls every issue. But from a resident perspective, municipal government is often the closest and most visible institution. That makes coordination, communication, and partnership increasingly central to local trust.

What residents may increasingly demand

- Visible action on homelessness and public safety
- Better coordination across governments and community organizations
- Public spaces that feel safe, welcoming, and well-maintained
- More responsive and compassionate service systems
- Stronger communication around what governments are doing and why

Risks for Kitchener

- Rising expectations without matching authority or resources
- Greater public frustration directed at local government
- Burnout within municipal systems and staff
- Increased polarization around social issues

- Difficulty balancing competing public expectations

Opportunities for Kitchener

- Position the City as collaborative and solutions-oriented
- Strengthen partnerships across governments and sectors
- Reinforce community resilience and belonging
- Build governance models focused on responsiveness and transparency
- Demonstrate leadership through coordination, communication, and trust-building

6. Cybersecurity is becoming a core municipal risk

Cybersecurity has moved from a technical concern to a core question of public safety and trust. Municipalities have become frequent targets, because they hold sensitive data and operate critical systems while often lacking the resources to defend them.

Canada's national security agencies are direct about the threat. The Canadian Centre for Cyber Security identifies ransomware as the top cybercrime threat to the country's critical infrastructure, and warns that attacks will continue to escalate as criminals adopt new tools, including AI.³⁹ Municipalities, which manage water systems, emergency services, and traffic control, sit squarely in the target set.

The Canadian examples are not hypothetical. A 2024 ransomware attack on the City of Hamilton has cost more than \$7 million, money drawn away from public services, and other Ontario municipalities have faced disruptive incidents.⁴⁰

For a city that wants to be seen as competent, prepared, and trustworthy, a single serious incident can undo years of confidence-building. This is increasingly a question of resilience, not just IT.

Key global signals

- Ransomware identified as the top threat to critical infrastructure
- Rising frequency and cost of attacks on municipalities
- Growing use of AI by cyber attackers
- Increased targeting of essential public systems
- Greater public attention to data privacy and security

Why this matters for Kitchener

Residents may never think about municipal cybersecurity until something fails. When it does, the consequences are immediate and visible: disrupted services, exposed data, and a sharp hit to trust. The cost of recovery typically far exceeds the cost of prevention.

Because municipalities operate critical systems, cybersecurity is now part of public safety, not a separate technical function.

³⁹ Canadian Centre for Cyber Security, "National Cyber Threat Assessment 2025-2026," cyber.gc.ca.

⁴⁰ On the City of Hamilton ransomware costs, see "Canadian Cities Are Only One Cyberattack Away From Catastrophe," Ottawa Citizen, January 2025 (Rogers Cybersecure Catalyst). See also Deloitte and NASCIO, "2026 Cybersecurity Study," deloitte.com.

What residents may increasingly demand

- Reliable and uninterrupted access to municipal services
- Protection of personal data held by the City
- Clear communication during and after any incident
- Evidence that the City takes security seriously
- Confidence that critical systems are resilient

Risks for Kitchener

- A serious incident disrupts services and erodes trust
- Recovery costs divert funds from other priorities
- Sensitive resident data is exposed
- Underinvestment leaves critical systems vulnerable

Opportunities for Kitchener

- Treat cybersecurity as core infrastructure and public safety
- Invest in prevention, training, and incident readiness
- Communicate preparedness as part of competence and trust
- Collaborate across governments on shared cyber resilience

7. Social connection is eroding

Across advanced economies, people are becoming more socially disconnected. Fewer close friendships, less participation in community life, and rising loneliness are now well documented, and the consequences reach far beyond individual wellbeing.

The evidence has reached the level of global public-health concern. The World Health Organization's Commission on Social Connection has found that loneliness and isolation raise the risk of serious illness and premature death, weaken social cohesion, and impose significant economic costs.⁴¹ The United States Surgeon General has described an epidemic of loneliness and isolation, and pointed to libraries, parks, and similar public institutions as the social infrastructure that helps rebuild connection.⁴²

This is directly relevant to municipalities, because they own much of that social infrastructure. Parks, libraries, recreation centres, community programs, and public spaces are among the most powerful tools available to counter isolation.

For Kitchener, this reframes some of its existing strengths. The amenities residents already value are not only quality-of-life features. They are part of the city's social fabric and its resilience.

Key global signals

- Rising loneliness and declining social participation
- Recognition of isolation as a public-health priority

⁴¹ World Health Organization, Commission on Social Connection, findings on the health and societal impacts of loneliness and isolation, June 2025, who.int.

⁴² Office of the U.S. Surgeon General, "Our Epidemic of Loneliness and Isolation," 2023.

- Growing emphasis on social infrastructure
- Increased focus on belonging and community connection
- Links between connection, trust, and resilience

Why this matters for Kitchener

Kitchener already performs well on many of the assets that build connection, including parks, libraries, and recreation. As the city grows and diversifies, sustaining and strengthening that social infrastructure becomes central to belonging and cohesion.

Social connection also underpins trust. Communities that are more connected tend to be more resilient and more supportive of shared goals, including the kind of change Kitchener is navigating.

What residents may increasingly demand

- Welcoming and accessible public spaces and gathering places
- Strong libraries, recreation, and community programming
- Opportunities to connect across neighbourhoods and generations
- Investment in belonging as the city grows
- Support for residents at risk of isolation

Risks for Kitchener

- Growth and density without matching social connection
- Rising isolation among vulnerable residents
- Weakening belonging as the city diversifies
- Underinvestment in the social value of public amenities

Opportunities for Kitchener

- Reframe parks, libraries, and recreation as social infrastructure
- Design public space to encourage connection and belonging
- Support programming that brings residents together
- Position connection as a measure of community resilience

Concluding Observations: Global Trends

Taken together, these global trends point to a world entering a period of profound transformation.

Economic volatility, climate disruption, artificial intelligence, cybersecurity threats, geopolitical instability, institutional distrust, and declining social connection are not occurring independently. They are reinforcing one another and reshaping how people experience daily life, opportunity, security, and community.

The common thread running through these trends is uncertainty.

For much of the past several decades, communities could generally assume that economic growth, technological progress, and institutional stability would continue along relatively predictable paths. Today, that assumption is becoming less certain. Residents increasingly face questions about

affordability, employment, climate impacts, public safety, digital security, and social cohesion simultaneously.

This broader environment is changing what people expect from government.

Increasingly, residents are not simply looking for service delivery. They are looking for:

- stability,
- preparedness,
- competence,
- transparency,
- resilience,
- and connection.

Several strategic themes emerge from these global trends:

- Economic uncertainty is reinforcing a broader precarity mindset that shapes how residents evaluate institutions.
- Climate resilience is becoming inseparable from infrastructure, affordability, and quality of life.
- AI and technological change will create significant opportunities while also disrupting labour markets and workforce pathways.
- Cybersecurity is becoming a core component of public trust and operational resilience.
- Global instability will continue affecting local affordability, infrastructure costs, and economic confidence.
- Social connection and belonging are emerging as critical community assets rather than simply quality-of-life considerations.
- Municipalities are increasingly becoming the institutions residents turn to first when broader systems feel uncertain or strained.

For Kitchener, the implications extend beyond any individual trend.

Collectively, these forces suggest that future success will depend not only on delivering services effectively, but on strengthening resilience across multiple dimensions:

- economic resilience,
- infrastructure resilience,
- organizational resilience,
- environmental resilience,
- and social resilience.

The cities that thrive in the coming decade are unlikely to be those that can predict every disruption. They will be the ones that build the capacity to adapt, communicate clearly, maintain trust, and help residents navigate uncertainty with confidence.

Importantly, many of the capabilities required to respond to these global trends are already reflected in Kitchener's existing strategic direction. The resident survey found continued strong support for the City's strategic priorities, with approximately 70% of residents indicating that each remains relevant. Viewed through the lens of the trends explored in this report, those priorities appear increasingly well aligned with the challenges and opportunities likely to shape the next decade.

The global trends identified throughout this section reinforce the importance of:

- Building a Connected City, as infrastructure resilience, housing, mobility, and public spaces become increasingly important to quality of life, economic competitiveness, and community confidence.
- Cultivating a Green City, as climate adaptation, environmental sustainability, and resilience to extreme weather become central considerations in long-term planning and infrastructure investment.
- Creating an Economically Thriving City, as technological disruption, productivity challenges, trade uncertainty, and labour market transformation place increasing importance on innovation, talent, and economic adaptability.
- Fostering a Caring City, as social connection, belonging, mental wellbeing, housing pressures, and community resilience become increasingly important determinants of community wellbeing.
- Stewarding a Better City, as residents place greater emphasis on transparency, responsiveness, cybersecurity, organizational effectiveness, and trust in public institutions.

Viewed collectively, these priorities represent more than a strategic plan. They provide a framework for building the economic, environmental, organizational, infrastructure, and social resilience that communities will increasingly require in a more uncertain world.

Ultimately, these global trends reinforce a fundamental reality. Municipalities like Kitchener are no longer judged solely by what they provide. Increasingly, they are judged by how effectively they help residents navigate change, uncertainty, and disruption.

In that sense, the challenge facing Kitchener is not simply preparing for the future. It is ensuring that the city, its institutions, and its residents are equipped to thrive within it.

The External Operating Environment

The trends above describe forces acting on Kitchener. This section describes the environment in which the City will have to respond to them over the next four years. Three features stand out, and together they sharpen the central diagnosis of this report: the City must hold residents' confidence while depending on senior governments whose support is becoming less predictable and more conditional.

Political continuity, not change

It is tempting to assume the policy environment will shift with the next election. On current evidence, it will not, at least not within the lifespan of Kitchener's 2027-2030 strategy.

The provincial Progressive Conservative government won a third consecutive majority in early 2025, with the next fixed-date election scheduled for 2029.⁴³ Federally, the Liberal government elected in 2025 reached a majority in 2026, with the next fixed-date election scheduled for 2029.⁴⁴ Both senior governments are likely to remain in place across the entire planning period.

The practical implication is counter-intuitive. The risk to Kitchener is not a change of government, but policy volatility and shifting conditions within stable governments operating under growing fiscal strain. The City should plan for continuity of direction, not relief from it.

Senior governments are under serious fiscal pressure

Both orders of government Kitchener depends on are running large deficits, and tariffs and slower growth are making the picture worse.

Ontario's net debt is projected to rise from roughly \$427 billion to nearly \$548 billion by the end of the decade.⁴⁵ The federal deficit reached an estimated \$78 billion in 2025-26, among the largest outside a recession in decades, though it was reportedly revised downward in early 2026.⁴⁶ When senior governments face this kind of pressure, the adjustment has historically reached municipalities through constrained transfers, conditional grants, and downloaded responsibilities.

This is the institutional mirror of the household precarity described throughout this report. The governments Kitchener relies on are themselves stretched, which makes their support less certain precisely when local pressures are rising.

⁴³ 2025 Ontario general election (February 2025): Progressive Conservative majority under Doug Ford; next fixed-date election scheduled for June 2029.

⁴⁴ 2025 Canadian federal election (April 2025): Liberal government under Mark Carney, which reached a majority in 2026 following floor-crossings and the April 2026 by-elections; next fixed-date election scheduled for October 2029.

⁴⁵ Financial Accountability Office of Ontario, Economic and Budget Outlook, Winter 2026 (Feb. 11, 2026): provincial net debt projected to rise from \$427.1 billion (2024-25) to \$547.9 billion (2029-30). [fao-on.org](https://fao.on.ca).

⁴⁶ Government of Canada, Budget 2025: a 2025-26 federal deficit of \$78.3 billion (2.5 per cent of GDP), reportedly revised to about \$66.9 billion in the spring 2026 update.

Conditional funding is becoming the norm

Senior-government money increasingly arrives with conditions attached. The 2026 federal-provincial agreement to cut municipal development charges, and the accompanying infrastructure funds, are conditional on municipalities changing their own policies, and are time-limited.⁴⁷

For planning, the lesson is to treat such funding as volatile and conditional rather than as a stable baseline, and to avoid over-committing the City's long-term capital plan to programs whose design could change after the next elections.

Unlikely but Possible: Outcomes to Keep on the Radar

Foresight is not only about the most likely path. It is also about preparing for outcomes that are unlikely but consequential enough to matter. The items below are not predictions. They are possibilities the City should monitor and, where prudent, stress-test against. The strongest argument for taking them seriously is that several once-hypothetical disruptions have already begun to materialize in Waterloo Region.

Disruptions already taking shape

Three developments that might once have seemed like distant scenarios are already underway, and deserve active monitoring:

- A post-secondary shock. Federal limits on international students have hit Conestoga College hard, with thousands of staff affected and enrolment projected to fall by roughly two-thirds from its peak, removing a significant source of regional spending and talent.
- Climate and water shocks. Repeated flood warnings on the Grand River, alongside the water-capacity constraint, show how directly climate volatility can affect Kitchener.
- A trade rupture. The tariff disruption described above is no longer hypothetical; the open question is how far it escalates.

These are documented, current pressures rather than speculative ones.^{48,49}

⁴⁷ Government of Canada and Government of Ontario, \$8.8 billion agreement to reduce municipal development charges by up to 50 per cent (announced March 30, 2026), and the federal Build Communities Strong Fund (launched April 2026); see also Association of Municipalities of Ontario analyses of conditional infrastructure funding. pm.gc.ca; amo.on.ca.

⁴⁸ Conestoga College faculty and staff reductions following federal international-student policy changes, with enrolment falling from approximately 43,000 (2024) toward an estimated 15,000 (winter 2026); CBC Kitchener-Waterloo; CP24; The Globe and Mail (2025).

⁴⁹ Grand River Conservation Authority flood warnings for the Grand River watershed, including Kitchener (2026). grandriver.ca.

Lower-probability, higher-impact possibilities

The following are less likely, but would be highly consequential. The point is not to predict them, but to ensure the City is not caught entirely unprepared. National and international foresight bodies increasingly highlight exactly these kinds of compounding, cascading risks.^{50,51}

- A severe AI-driven disruption to white-collar employment, concentrated in technology-intensive places like Waterloo Region. This is contested and uncertain, and the opposite scenario, an AI-driven productivity boom, is equally possible; the region is unusually exposed to either.
- A major cyberattack disabling municipal critical infrastructure, as has already occurred in other Ontario cities.
- A sharp correction in the Ontario housing market, affecting household wealth and the development that funds growth.
- The contraction or loss of a major regional employer.
- A new public-health shock like another pandemic straining local services.
- A sustained sovereignty or trade-confidence shock from the United States.
- An abrupt swing in immigration levels, in either direction, breaking the assumptions behind growth forecasts.
- A failure of critical systems, from the electricity grid to the encryption underpinning digital services.
- A marked decline in social cohesion as economic pressure, visible disorder, and institutional distrust compound.

The AI scenarios in particular remain genuinely two-sided and contested.⁵² For each of these possibilities, the appropriate response is not alarm but readiness: clear early-warning signals, scenario thinking, and the resilience to act early rather than react late.

An Integrated Diagnosis

Taken together, the municipal, national, and global trends, the external operating environment, and the wildcard possibilities point to a single, coherent diagnosis. Kitchener is a city performing well that is being asked to hold residents' confidence inside an environment it does not control and that is becoming less predictable and less generous.

That diagnosis holds at three levels at once. At the household level, residents are broadly satisfied with the City yet increasingly anxious about the future, about affordability, housing, food, health, and safety. At the civic level, the City delivers competently but is judged more and more on visible pressures, encampments, the drug crisis, downtown vitality, water capacity, that sit largely outside its formal mandate. At the institutional level, the senior governments Kitchener depends on are themselves under

⁵⁰ Policy Horizons Canada, Disruptions on the Horizon (2024) and related foresight work. horizons.service.canada.ca.

⁵¹ World Economic Forum, Global Risks Report 2026. [weforum.org](https://www.weforum.org).

⁵² AI-related white-collar displacement warnings (for example, Anthropic, 2025-2026) are contested; the Yale Budget Lab reported no widespread AI-driven job losses as of late 2025. The outcome should be treated as a two-sided scenario.

fiscal strain and are making their support more conditional. The precarity the report identifies in residents is mirrored in the City's own position.

Three features define this environment. First, the pressures are compounding, not isolated. Trade disruption weakens the regional economy, which strains households and the assessment base; weaker senior-government finances tighten support precisely as local needs rise; the water constraint caps the growth that funds services. No single trend is decisive; their interaction is.

Second, the City's exposure is greatest exactly where its control is least. Housing, homelessness, addictions, health care, immigration, trade, and senior-government finances are largely beyond municipal authority, yet residents experience them locally and attribute them to the government closest to them. This is the structural heart of the precarity mindset, and it is widening.

Third, uncertainty itself has become a planning condition. Several disruptions once treated as unlikely have already arrived. The appropriate response is not more confident prediction, but scenario discipline and resilience.

The strategic task that follows is less about any single program and more about posture. In a precarity mindset, the most powerful thing an institution can demonstrate is not that it has every answer, but that it sees the landscape clearly and is preparing rather than coasting. A City that names these pressures honestly, including the ones it cannot command, and that shows it is getting ready for a more volatile decade, is a City that can sustain confidence even when the environment around it does not cooperate.

Final Synthesis: Kitchener at an Inflection Point

The Next Decade Will Be Defined by Confidence

At first glance, Kitchener appears to be in a strong position.

Residents continue to view the city positively. Satisfaction with municipal services remains high. Parks, libraries, recreation facilities, emergency services, and many of the day-to-day experiences that shape quality of life are performing well. Most residents feel safe in their neighbourhoods. Most intend to remain in the city. Kitchener continues to attract investment, talent, and population growth.

By many traditional measures, Kitchener is succeeding.

Yet beneath these positive assessments sits a more important story.

The survey findings, combined with the municipal, national, and global trend analysis, suggest that Kitchener is entering a fundamentally different operating environment than the one that shaped much of its success over the past twenty years.

The challenge ahead is not whether the city can continue to grow.

The challenge is whether residents will continue to feel confident as it grows.

Increasingly, residents are evaluating the city through a different lens. Their concerns are less about the services they receive today and more about what they believe tomorrow will look like.

Will housing remain attainable?

Will infrastructure keep pace?

Will neighbourhoods continue to feel safe and connected?

Will the economy provide opportunity?

Will climate and environmental pressures be managed?

Will governments remain capable of solving increasingly complex problems?

The central finding emerging from this work is that confidence, not satisfaction, may become the defining measure of municipal success over the next decade.

Kitchener Is Moving from Growth Management to Complexity Management

Historically, Kitchener's challenge was growth.

Today, growth is only one part of the story.

The city is now managing multiple interconnected transitions simultaneously:

- Rapid population growth
- Housing affordability pressures

- Infrastructure renewal requirements
- Water capacity constraints
- Climate adaptation needs
- Technological disruption
- Demographic change
- Increasing social pressures
- Evolving expectations of government
- Fiscal uncertainty at senior levels

None of these issues exist in isolation.

Housing cannot be separated from water infrastructure.

Growth cannot be separated from transportation and public space.

Economic development cannot be separated from workforce disruption caused by artificial intelligence.

Community safety cannot be separated from homelessness, addiction, and mental health.

Trust cannot be separated from affordability and perceptions of fairness.

The defining characteristic of the next decade is likely to be complexity itself.

Success will increasingly depend not on solving individual challenges independently, but on managing the connections between them.

The Emerging Reality: Residents Are Living in a Precarity Mindset

Perhaps the most important insight emerging from both the survey and the broader trend analysis is the rise of what Abacus has identified nationally as the shift from scarcity to precarity.

Scarcity is about not having enough today.

Precarity is about uncertainty regarding whether stability can be maintained tomorrow.

This distinction matters because it changes how residents evaluate institutions.

When people feel precarious, they place greater importance on:

- Predictability
- Competence
- Stability
- Responsiveness
- Affordability
- Transparency

This helps explain several findings that may initially appear contradictory.

Residents can be satisfied with services while becoming less confident in the city's direction.

They can feel positive about their neighbourhood while expressing concern about affordability.

They can appreciate growth while worrying about its consequences.

They can support investment while becoming more sensitive to taxes and costs.

These are not contradictions.

They are indicators of a population navigating uncertainty.

The implications are significant.

Residents are increasingly looking to local government not simply as a service provider, but as a stabilizing institution.

Kitchener's Greatest Strength May Also Be Its Greatest Opportunity

One of the strongest themes emerging from this work is that Kitchener already possesses many of the assets communities across Canada are struggling to build.

The city benefits from:

- Strong parks, recreation, and library systems
- A high quality of life
- A growing innovation economy
- Strong educational institutions
- A culture of civic engagement
- Diverse and growing communities
- Significant economic opportunity
- A generally positive resident experience

These strengths matter because many of the challenges identified throughout this report are ultimately challenges of resilience.

Communities that remain resilient during periods of disruption tend to possess:

- Strong social infrastructure
- High levels of community connection
- Trusted institutions
- Economic diversity
- Adaptable infrastructure
- Strong civic identity

Kitchener enters the next decade with many of these foundations already in place.

The challenge is ensuring they evolve quickly enough to match the pace of change occurring around them.

The Strategic Questions That May Define the Next Decade

Rather than viewing the trends in this report as separate issues, they can be distilled into a series of strategic questions that will likely shape Kitchener's future.

1. How can Kitchener continue to grow while preserving confidence?

The question is no longer whether growth should occur.

The question is whether growth feels intentional, coordinated, and beneficial to residents.

Growth that is perceived as unmanaged may weaken confidence.

Growth that is visibly connected to housing, infrastructure, amenities, and quality of life may strengthen it.

2. How can Kitchener become more resilient before disruption occurs?

Water capacity constraints, climate risks, cybersecurity threats, economic volatility, and labour market disruption all point toward the need for greater resilience.

The most successful cities will not necessarily be those that avoid disruption.

They will be those that recover and adapt fastest when disruption occurs.

3. How can the City strengthen trust in an era of rising expectations?

Residents increasingly expect responsiveness, transparency, and visible results.

The challenge may be less about doing more and more about making progress visible, understandable, and connected to residents' everyday experiences.

4. How can Kitchener maintain belonging as it grows?

Population growth and diversification create enormous opportunity.

They also create risks if residents begin to feel disconnected from the community or from one another.

Maintaining social connection may become as important as maintaining physical infrastructure.

5. How can Kitchener remain affordable and attainable?

Affordability now influences almost every major issue identified in this report.

Housing.

Transportation.

Food security.

Economic opportunity.

Community participation.

Perceptions of fairness.

The challenge is broader than housing alone.

It is whether residents continue to believe they can build a good life in Kitchener.

Looking Ahead

The future described in this report is not a future of decline.

Nor is it a future where current success guarantees future success.

Rather, it is a future where expectations are changing.

Residents increasingly want confidence that growth is being managed, that institutions are prepared, and that their community will remain a place where people can thrive.

This places municipalities in a different role than they have traditionally occupied.

Increasingly, cities are being judged not only by what they deliver, but by how effectively they help residents navigate uncertainty.

For Kitchener, this may be the defining opportunity of the next decade.

The city's future competitiveness will depend not only on attracting investment, building housing, modernizing infrastructure, or growing its economy.

It will depend on whether residents continue to believe that Kitchener is a place where opportunity, stability, belonging, and quality of life can coexist.

If the last decade was about building a successful city, the next decade may be about building confidence in that city's future.

That is the challenge that sits beneath every trend identified in this report.

And it is the opportunity that ties them all together.