



PLANNING
URBAN DESIGN
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January 29, 2024

Chair, Councillor Singh
And Members of Planning & Strategic Initiatives Committee

**RE: Submission on Kitchener "Growing Together" Zoning By-law Amendment
659-667 King Street and 48, 52-54 Walter Street
OUR FILE: 1405**

On behalf of our client, HIP Developments, please accept this request for modification to the 'Growing Together' draft documents and support and justification for the request. The comments relate to 659-669 King Street and 48, 52-54 Walter Street (the subject lands).

**Request for Modifications to the Official Plan and Zoning By-law Amendments:
It is requested that Committee support the following modification to the Zoning By-law Amendments:**

1/ Zone the lands SGA-4 (from SGA-3)

Rationale and Justification for Request:

The SGA-4 Zone is appropriate for the subject lands, based on the following:

- **Lands are designated Strategic Growth Area 'C'** – this designation permits the highest density residential uses. The location is suitable for the highest density, given the proximity to the downtown and the hospital.
- **Lands are within the 'Central Station Area'** – one of the locations with the highest density permissions is the 'Central Station Area' and the lands are within this area.
- **Surrounding lands within the 'Central Station Area' are zoned SGA-4** – surrounding lands are identified for the SGA-4 zone. The public consultation process identified the lands as a location for high-rise building.

- **Buildings can be designed to comply with the SG-4 Zone** – the lands can be designed to accommodate the criteria of the SG-4 Zone. A pre-application meeting was held with City staff some time ago that supported a high level of height and density on the subject lands.
- **Lands are within an 'emerging area' of new development** – the 'midtown' area has seen recent investment in redevelopment and a location with great opportunity for higher density that is outside of the downtown.

We would also offer the following comments on the proposed Inclusionary Zoning:

- The subject lands should be identified as an 'emerging area', not 'prime area'
- The timing of the set aside rate should be based on the timing of zoning, rather than building permit.

Please refer to the letter from HIP Developments with additional details and comments in relation to the Inclusionary Zoning.

We request that City staff be directed to make the requested modification to the Zoning By-law, prior to Council consideration of the final amendment documents.

Yours truly,

MHBC

A handwritten signature in black ink, appearing to read 'DWA', followed by a horizontal line extending to the right.

David W. Aston, MSc, MCIP, RPP
Vice-President

c. Joel Doherty



January 26, 2024

Chair, Councillor Singh
And Members of Planning & Strategic Initiatives Committee

**RE: Submission on Kitchener “Growing Together” and “Inclusionary Zoning”
Zoning By-law Amendments
659-667 King Street and 48, 52-54 Walter Street**

HIPDEVELOPMENTS.COM

On behalf of HIP Abstract GP Inc. (HIP Developments Inc.), owner of 659-667 King Street and 48, 52-54 Walter Street (the subject lands), please accept this request for review and modification to the ‘Growing Together’ and ‘Inclusionary Zoning’ draft documents. This letter is in conjunction with the MHBC Planning letter regarding the subject lands.

We have reviewed comments and questions provided by the Build Urban and Waterloo Region Homebuilders Association. We support many of the questions and comments raised by both in terms of feasibility concerns and implementation. With respect to the subject lands in particular:

- We acknowledge that affordability is a significant issue in our region and province. We believe that all parties have a part to play, and we support solutions whereby all levels of government, the general public including taxpayers, and both urban and suburban developments participate. This should not be placed entirely on new homeowners and renters.
- While we support staff for recommending development charge, parkland dedication, community benefit charge exemptions and no required parking for affordable units, there would still be a financial shortfall. IZ will impact our project with a drop in value of ~\$180,000 per unit vs. ~\$50,000-60,000 savings in development charges and other exemptions.
- Any shortfall in revenue would have to be made up from increases on the remaining units. It is expected that this could push the price of the other units to a point past market acceptance which could result in limited to no sales, thereby making the project unfeasible, resulting in no new supply added to the market.
- This project is intended to be a condominium building. The staff report speaks to a third party that would buy, rent, and manage the units – is that feasible for those entities? Do they have the capacity to obtain financing to purchase units? This creates considerable uncertainty, and we would not want to be in a position where we are to retain ownership of affordable units, having to rent and manage.
- We support the concept of transferring affordable units to other sites and public private partnerships such as the Build Now initiative. We would welcome the opportunity to discuss.



HIP DEVELOPMENTS

74 Grand Ave. S., Suite 201,
Cambridge Ontario,
N1S 0B7

We request that our subject lands be reviewed for the matters raised by MHBC and in this letter. Given the importance of the affordability issue and the many concerns that remain from the development industry, we recommend deferral of the process for more consultation and consideration of the issues raised and the opportunity to meet specifically to discuss the subject lands.

Yours truly,



Scott Higgins
President
HIP Developments Inc.



Joel Doherty
Vice President, Real Estate & Development
HIP Developments Inc.