

Mayor Berry Vrbanovic and Members of Council
Kitchener City Hall
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Kitchener, ON N2G 4G7

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Date: March 6, 2024

Our Ref: 119760

Subject: 1928393 Ontario Inc.

Request for Council to Honour Site-Specific Affordable Housing Agreement (Inclusionary Zoning)
97-101 Park Street and 186-194 Victoria Street South, Kitchener

Dear Mayor Vrbanovic and Members of Council,

On behalf of our client, 1928393 Ontario Inc., owners of the subject lands identified as 97-101 Park Street and 186-194 Victoria Street South, Kitchener, we are very concerned that staff are proposing to unilaterally override the affordable housing commitment made to Council by our client in consideration of receiving additional density permissions and reduced parking rates.

Please accept this letter, on behalf of our client, requesting **that Council approve the enclosed site-specific amendment to the proposed Inclusionary Zoning regulations**, which would facilitate an appropriate transition of Council's prior affordable housing agreement on the subject lands into the Inclusionary Zoning regime.

The following sections review the existing affordable housing commitment on the subject lands, the impact of the proposed Inclusionary Zoning commitment, and an overview of our recommended site-specific Zoning By-Law Amendment.

The Existing Affordable Housing Commitment

Our client is proposing to construct at least 436 units of much needed housing in a landmark, mixed-use building within the Central Station PMTSA at 97-101 Park Street and 186-194 Victoria Street South, Kitchener.

At the June 5, 2023 meeting of the Planning and Strategic Initiatives Committee (PSIC), members of Committee and the public expressed a desire for additional community benefits including specific references to affordable housing contributions. We were approached by City planning staff after that meeting regarding our client's willingness to provide affordable housing units as part of this development provided that additional density would be permitted. In consultation with our client, we negotiated in good faith with City planning staff and ultimately proposed "the provision of 30 affordable housing units at 80% of market rate for a period of 25 years" provided that an updated Official Plan Amendment and Zoning By-Law Amendment was approved to increase the permitted Floor Space Ratio from 7.7 to 8.5 and to reduce the minimum parking rate from 0.8 parking spaces per residential unit to 0.6 parking spaces per residential unit.

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Council adopted the revised Official Plan Amendment No. 51 (OPA23/003/V/CD) and approved the revised Zoning By-Law Amendment 2023-091 (ZBA23/007/MV/CD), which were prepared by City planning staff, on June 26, 2023. The affordable housing commitment was made in writing to City staff on June 21, 2023, was made verbally to Council at the meeting on June 26, 2023, and was noted in the Council Minutes. Members of Council thanked both our client and City planning staff for bringing forward a revised proposal on this site that included affordable housing.

The Impact of Inclusionary Zoning

City staff have repeatedly indicated that the proposed Inclusionary Zoning (DSD-2024-029, OPA23/015/K/TD, ZBA23/027/K/TD) and Growing Together (planning amendments are intended to work together), with the additional density and elimination of minimum parking requirements mitigating the negative financial impacts on new development from Inclusionary Zoning regulations.

On our client's site, City staff are proposing to unilaterally discard the good faith affordable housing commitment made by our client while maintaining our client's lands under the existing site-specific limitations on density and parking requirements. In effect, City staff propose that Council break its existing agreement with our client on this site to unilaterally impose more stringent requirements.

Based on our recent discussions with Tim Donegani, we understand that staff prefer the proposed one-size-fits-all approach across the Region and indicated we would need to make this direct request to Council for consideration of a more appropriate transition of this existing Council agreement into the new Inclusionary Zoning regime.

Our Proposal

In order to satisfy the concerns of City planning staff regarding securing the agreement and clear definitions through a planning instrument, we propose that Council adopt the enclosed site-specific Zoning By-Law amendment, which would:

- Translate the existing affordable housing commitment of 30 affordable housing units at 80% of market rent for 25 years into site-specific Zoning By-Law regulations, including providing for a definition of "market rent", and
- Require that the site-specific regulations and other provisions be secured through an agreement registered on title.

Based on the above comments and as previously noted, we respectfully request that Council approve the enclosed site-specific amendment to the proposed Inclusionary Zoning regulations.

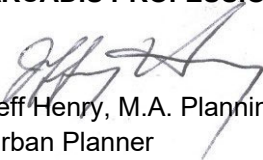
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Conclusion

We appreciate the opportunity to provide input to the City and to Council on this important public planning process. We will attend and delegate at the Council meeting on March 18, 2024. We are also available to discuss this matter further with yourselves or to further review the proposed site-specific amendment with City staff prior to Council considering the Inclusionary Zoning amendments.

Respectfully Submitted,

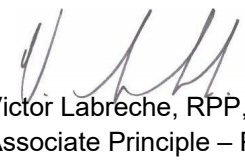
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Associate Principle – Practice Lead, Planning

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JH/VL/baw

cc: Erik Olsen, 1928393 Ontario Inc.
Rosa Bustamante, Director of Planning and Housing Policy/City Planner
Natalie Goss, Manager, Policy and Research
Garett Stevenson, Manager of Development Review
Tim Donegani, Senior Planner
Craig Dumart, Senior Planner
Dianna Saunderson, Manager of Council Committee Services & Deputy Clerk

BY-LAW NUMBER XXX
OF THE
CORPORATION OF THE CITY OF KITCHENER
(Being a by-law to amend By-law 85-1, as amended, known as the
Zoning By-law for the City of Kitchener –
1928393 Ontario Inc., 2564292 Ontario Inc., Rome Sales
Inc. and 2592546 Ontario Inc. – 97 and 101 Park Street,
186, 190, 192 and 194 Victoria Street South)

WHEREAS it is deemed expedient to amend By-law 85-1 for the lands specified above;

NOW THEREFORE the Council of the Corporation of the City of Kitchener enacts as follows:

1. Schedule Number 73 of Appendix “A” to By-law Number 85-1 is hereby amended by changing the zoning applicable to the parcel of land specified and illustrated on Map No. 1, in the City of Kitchener, attached hereto, from High Intensity Mixed Use Corridor Zone (MU-3) with Special Regulation Provision 792R and Holding Provision 104H to High Intensity Mixed Use Corridor Zone (MU-3) with Special Regulation Provision 792R, Special Regulation Provision XXXR and Holding Provision 104H.
2. Appendix “D” to By-law 85-1 is hereby amended by adding Section XXX as follows:

“XXX. Notwithstanding Section 5.3.4 of this By-law within the lands zoned MU-3 and shown as being affected by this subsection on Schedule Number 73 of Appendix ‘A’ the following special regulations shall apply:

- a) For the purposes of this Section

“Affordable Unit” means a dwelling unit where the maximum rent is in accordance with subsection XXX c) of this By-law.

“Market Rate” means the average asking rent for available apartment and condominium units, as published from time to time by a reputable market research provider who shall be determined in accordance with one or more legal agreements with the City and owner of affordable units and registered on title.

- b) Subsection 5.3.4 d) through 5.3.4 g) shall not apply.
- c) 30 affordable units shall be provided. Table 5-1 shall not apply.
- d) The maximum rent that can be charged for affordable units shall be 80% of Market Rent.
- e) Affordable Units shall not exceed the maximum rent set out in subsection XXX c) for a minimum of 25 years after the date the unit is first occupied.
- f) Inclusionary Zoning requirements in subsection XXX and related matters outlined in the City’s Official Plan and Planning Act shall be secured by one or more legal

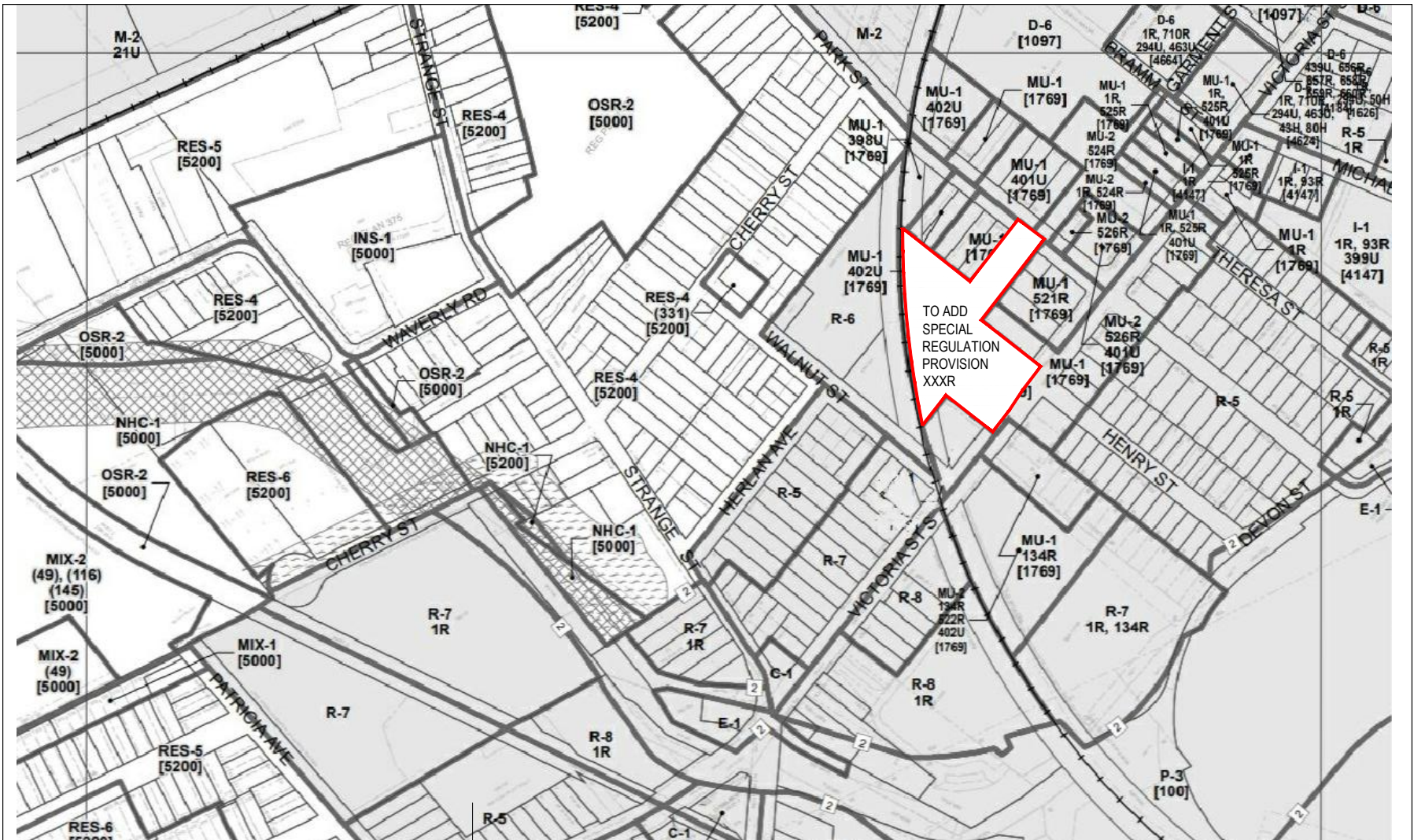
agreements with the City and owner to the satisfaction of the City Solicitor and registered on title of the lands.”

3. This By-law shall become effective only if Official Plan Amendment No. xx (Inclusionary Zoning) and Official Plan Amendment No. 128 (97 and 101 Park Street, 186, 190, 192 and 194 Victoria Street South) come into effect, pursuant to Section 24(2) of The Planning Act, R.S.O. 1990, c. P.13, as amended XXX.

PASSED at the Council Chambers in the City of Kitchener this ____ day of _____, 2024.

MAYOR

CLERK



LANDS SUBJECT TO THIS ZONING BY-LAW AMENDMENT



Overlays Applicable to By-Law 2019-051

- Flooding Hazard
- Ecological Restoration Areas

ZONING BY-LAW AMENDMENT

LEGAL DESCRIPTION

City of Kitchener
DEVELOPMENT SERVICES DEPARTMENT

CAD FILE:
SP.DWG

MAP No. 1

1928393 ONTARIO INC.; 2564292 ONTARIO INC.;
ROME SALES INC.; 2592546 ONTARIO INC.

97 & 101 PARK ST.; 186, 190, 192 & 194 VICTORIA ST. S.

SCALE 1: 4,000

DATE: MARCH 6, 2024

REVISED:

