



12 MARCH 2024

TO: City of Kitchener Planning & Strategic Initiatives Committee

Chair: Councillor P. Singh

Vice-Chair: Councillor D. Chapman

Cc: Tim Donegani <Tim.Donegani@kitchener.ca>; <natalie.goss@kitchener.ca>;

Judy Maan Miedema <JMaanMiedema@regionofwaterloo.ca>; Tim Blevins <blevinsm@cambridge.ca>

RE: Inclusionary Zoning (IZ) – Official Plan Amendment and Zoning By-law Amendment, DSD-2024-029 and how it relates to Growing Together - Protected Major Transit Station Area Land Use and Zoning Framework, as outlined in Development Services Department report DSD-20240

Dear Council Members

We are writing in response to correspondence from area municipal staff IZ team members (cc) stemming from our **discussion with them on February 22, 2024, at Waterloo Regional headquarters. This meeting followed the City of Kitchener Public Meeting on January 29**, where staff presented their report ([No. DSD-2024-029](#)). After hearing numerous delegations, [Council deferred the matter until March 18, 2024](#), to allow for further consultations with the industry.

The WRHBA and its members have actively participated in this process for over five years to ensure that any future inclusionary zoning policy is implemented in a way that does not compromise future housing choices, affordability, and the City's overall growth objectives. We have provided feedback to staff through written submissions, working group discussions, virtual and in person meetings and deputations at Council with the municipalities of Kitchener and Waterloo. While we appreciate the work and effort staff have done to answer many questions and concerns of stakeholders and council throughout these engagements, we have maintained our position that Inclusionary Zoning will only result in creating more affordable housing choices if its policies are based on sound rationale. There are still unanswered questions that we feel are fundamental to IZ zoning that we do not feel have been properly addressed.

We understand that Waterloo Regional Municipalities are keen to use IZ as a tool to address housing affordability challenges. However, we recognize that Inclusionary Zoning is complex and has limitations, and many questions and concerns still need to be addressed. While the policy is well-intentioned, it can easily be abused, which can work against its intentions and the public's interest.

According to the Residential Tenancies Act and the IZ policy, there is only one eligibility check into acquiring an IZ unit, done at the beginning of the process. It is concerning that there is no ongoing oversight, and authorities cannot mandate any other checks to ensure tenants continue to qualify.

ASSOCIATION CONTACT:

Marie Schroeder, Executive Office – marie-schroeder@wrhba.com Bus: 519-884-7590

There is no mechanism in place to prevent day-one eligible renters, such as students or single individuals, from retaining IZ affordable housing units even when their financial circumstances change (employment, wage increases, partnering, marriage, etc.). It is inevitable that without oversight, IZ affordable housing units will house individuals who no longer qualify, or opt to sublet the unit out to make a profit for themselves. Therefore, it is crucial that this issue is addressed and a clear plan is established for what will happen once the 25-year term expires.

Given the awareness of these issues, it is Council's duty to address these fundamental questions before implementing the IZ program to ensure its long-term success, including safeguarding its intended purpose—of providing affordable housing units for individuals who not only qualify at the onset, but continue to qualify.

While we continue to have concerns about the impact that the proposed IZ by-law will have on housing affordability and supply, if a by-law is to be passed with IZ zoning, we suggest that it be passed as a framework i.e. you have to go to Council each year to pass the set aside rates for the following year and give updates on the progress of IZ. The discussion with the industry on the implementation is critical to ensuring that what is intended to be a public good will not be abused and work contrary to what we all wish to achieve in affordable housing.

Sincerely,

WATERLOO REGION HOME BUILDERS' ASSOCIATION



Marie Schroeder

Executive Officer

Marie-schroeder@wrhba.com

**Cc: WRHBA Board of Directors
WRHBA Member Companies**

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