March 17, 2024

Greetings, City of Kitchener Council.

Thank you for deferring the decision on Growing Together and Inclusionary Zoning to March 18, 2024.

At the March 18thCouncil meeting, with regard to the Growing Together proposal, I ask that you please make the two amendments included below. With regard to the proposed Inclusionary Zoning (IZ) program, I ask that you please implement Inclusionary Zoning to at least the standards provided for by Staff Report DSD-2024-029.

I hear Council expressing concerns about IZ stifling development; raising the general cost of housing; unfairly burdening developments inside the Protected Major Transit Station Areas (PMTSAs) with what should be a Municipal, Provincial or Federal concern; and about potential abuse of IZ units. I very much appreciate that Council is concerned for our well-being, and I hope (some of) these concerns have been addressed.

IZ programs have been conducted successfully for 50 years in the US. The <u>research</u> concludes that IZ programs have very little or no impact on either production or price of housing. Ultimately, the costs are passed back to the owners of land. To permit markets to adjust, where upzoning is not introduced simultaneously, it is standard practice to phase-in IZ programs. When substantial upzoning is introduced at the same time as IZ programs, as is being proposed via Growing Together, there is no need for a phase-in period.

I likewise appreciate that Council is concerned about the fairness of new legislation. While it is true that only lands within PMTSAs are proposed to be subjected to the IZ program, only lands within the PMTSAs are being upzoned so extensively. These lands also benefitted from substantial market uplift after the public investment in the Light Rail Transit system.

Developers of affordable housing units receive Development Charge and Parkland Dedication Fee exemptions. All Purpose-Built Rentals receive Development Charge discounts, whether the units are affordable or not. Preferential government loans are being extended to qualifying projects. HST has been waived on Purpose-Built Rentals. These costs of growth have now been transferred to the general public. I hope Council can agree it is only fair to ask land-owners and developers who are benefitting from the public investments, subsidies on the costs of growth, and upzoning, to also contribute to affordable housing. Please note that, upon full implementation, the IZ program will cost no more than 1% of gross rental income (5% of units x 20% rent reduction = 1% rental income reduction).

I hope Regional planners have addressed the concern about ensuring that IZ units remain in the hands of income-qualified renters.

Whatever your own research informs you, please also take assurance from all the work that precedes this proposal before us today. The Province has limited the extent of IZ programs to ensure that they do not stifle development. The Province has determined that our Major Transit Station Areas are suitable for an IZ program and granted them 'Protected' status. The Province required that we undertake a study to ensure our market can sustain an IZ program, which we did, with the assistance of an outside consultant. The study evaluated our PMTSAs and determined appropriate set-aside rates (percentage of IZ units we may require) for each. The IZ program has been scrutinized by planning staff from Kitchener, Cambridge, Waterloo and Waterloo Region, as the program is being jointly advanced by these four bodies. The program includes a built-in two-year review to permit any needed adjustments. At every step, utmost care is being exercised to ensure our IZ program will not stifle development.

Please satisfy yourselves with the facts, if you have not already, and implement Inclusionary Zoning to at least the standards provided for by Staff Report DSD-2024-029.

Thank you for your consideration,

Hal

Hal Jaeger

Requested Amendments Re: Growing Together

I ask that you please

1. Insert "Zoning permissions do not necessarily reflect heritage preservation requirements" into the Official Plan, after proposed Section 15.D.2.8.

Rationale: The Growing Together project proposes zoning for properties that are subject to heritage preservation directives, including via Heritage District Plans, which prevail in the event of a conflict with zoning. I ask that we be fair and forthright with all involved, including current and future owners, Planning Staff and Council and declare that integration of zoning and heritage preservation requirements may not have been completed via the Growing Together project. I hope such notification may reduce potential frictions.

2. Replace item a) in 2019-051 Zoning Bylaw Section 4.14.8.1 "Patios, decks, and outdoor recreation associated with a restaurant may project into a required yard provided that: a) They are located a minimum of 30 metres from any *residential* zone"

with

"Patios, decks, and outdoor recreation associated with a restaurant may project into a required yard provided that: a) They are located a minimum of 30 metres from any residential zone and a minimum of 20 metres from the lot line of any proximate SGA-1 property"

Rationale: The current 30 metre separating distance requirement between patios, decks, and outdoor recreation associated with a restaurant and low-rise residences could deny restaurant patios along streets where they might be of benefit to the community. The Growing Together proposal recommends elimination of the separating distance requirement altogether. I suggest the separating distance be reduced to enable the patios, decks, and outdoor recreation without unduly compromising neighbours' privacy and quiet enjoyment.

