

I will be participating by: *

- Video conference
- Telephone
- Submitting written comments
- In-person

1. Have you been in contact with a City staff with regard to your matter of interest?

- Yes
- No

If you need assistance contacting the appropriate staff, call 519-741-2203.

2. Please summarize the information you wish to present as a delegation. Include such information as whether you are in support or opposition as well as identifying any questions you wish to have addressed, if applicable. Please note if you have already been a delegate on this matter, you need to specify the new information you intend on presenting.

Please provide your answer. *

Dear Council,

I'm a resident of Kitchener sending a written delegation in support of the Rental Replacement bylaw staff are presenting this Monday, June 17. I hope the council will see everything it does to protect affordable housing in Kitchener and vote to pass it.

Without this law in place, the current system incentivizes demolishing existing affordable housing instead of building on infill properties. This means fewer total new units being created while the most vulnerable are kicked out of their homes.

I want to explore the current incentive structure by using 93-99 Benton ("Rainbow Row") as a recent case study in the city. The case study addresses the question: why would a developer choose to evict tenants and demolish an existing building, rather than build on an infill property?

Rainbow Row is not the only place in the city where developers are seeking to demolish affordable housing to build new. However, it makes the perfect case study because an empty lot is for sale, waiting for development, directly next to the property.

The developer of Rainbow Row hasn't responded to questions of why he didn't buy the vacant lot, so we can only look at the numbers.

Rainbow Row is cheaper, but it's also significantly smaller. The developer purchased the property in 2022 for \$3.625 M. The adjacent lot is currently listed at \$9.45 M. Adjusted for per acre, Rainbow Row is \$8.11 M and

the empty lot is \$10.99 M. Given close to two years have passed and the vacant property has been upzoned, I expect the 2022 price per acre to be similar.

So why demolish rather than build infill? The developer markets 93-99 Benton on its website as “income generating with thirteen fully leased units”. Regardless of other incentives, it’s a clear benefit to generate rent income while you await the development process.

The current system in place incentivizes demolishing already dense housing and replacing it with new condos, rather than building on undeveloped land sitting vacant in the city centre. The result is fewer total homes and the complete loss of the existing affordable housing.

Between 2011 and 2021, Kitchener-Waterloo lost 14 to 25 existing affordable rental units lost for every one new rental unit added. (Source: <https://www.theglobeandmail.com/canada/article-how-rental-protection-funds-can-help-stem-a-vanishing-supply-of/>) We need to address this, and Rental Replacement is an important start.

Rental Replacement is a targeted policy solution. It doesn’t apply to a developer building infill. It doesn’t apply if a developer demolishes fewer than 6 units. It doesn’t apply if a developer turns vacant buildings into new housing. It simply incentivizes developing those lands first, and makes sure to protect affordable housing stock if anyone does choose to demolish it and build anew.

Rental Replacement is a strong policy and I urge you to pass it this Monday evening. People across the city are in need of it today and this will only become a more urgent issue as development speeds up.

Thank you for your work to protect the vulnerable in our city.

Tiffany Cassidy

3. Are there any timing and/or financial implications associated with your request?

Timing implications

Financial implications