



KITCHENER  
WATERLOO  
COMMUNITY  
FOUNDATION

# Housing Innovation Round Table

## Update Report Fall 2020



**Do More Good. Forever. Together.**

# Introduction

**Waterloo Region is facing a housing crisis. With increased visible homelessness, over 6,200 people on the wait list for affordable community housing, and 27,320 households currently paying more than 30% of their income on rental housing, action is imperative and innovative approaches are needed.**

There is momentum in the area of affordable housing, with a number of parties tackling this from different perspectives. Given the momentum, Kitchener Waterloo Community Foundation (KWCF), in alignment with their strategic focus, convened a collaborative innovation round table in January 2020. The Housing Innovation Round Table (HIRT) has been designed to bring together players from the private, public and philanthropic sectors in an effort to catalyze impact in two areas of the Housing Continuum - Affordable Rental Housing and Affordable Home Ownership. This report shares the journey of the round table thus far.



**I've heard about many projects and programs to address affordable housing in Waterloo Region,** and they all have one important central element - the role that the community was playing in fashioning them. Harnessing the experiences of the community and trying to reflect that back into the policy or program is critical. Understanding that people are experts in their own lives, including people living in homelessness - that is the key to success and a vital component to the human right to housing. - *Leilani Farha - Global Director, The Shift*



# HIRT Vision and Purpose

**Housing is a human right. We can no longer ignore the gap we have in our community! Together the HIRT seeks to make deep and meaningful change in the area of affordable housing in Waterloo Region so that our vision can be realized: everyone has a place to call home.**

To reach this vision, the Housing Innovation Round Table (HIRT) will collectively facilitate the growth of affordable housing supply by fostering partnership and innovation in Affordable Rental Housing and Affordable Home Ownership. The HIRT will do this in a number of ways, by pulling various levers, and finding solutions that the HIRT is uniquely positioned to influence – and will include both new builds and preserving existing affordable housing stock.

**Our Purpose:**

- 1) Foster and inspire innovation in Affordable Rental Housing and Affordable Home Ownership
- 2) Convene thought leadership in Affordable Rental Housing and Affordable Home Ownership
- 3) Encourage, facilitate and test collaborative approaches to address housing inequities



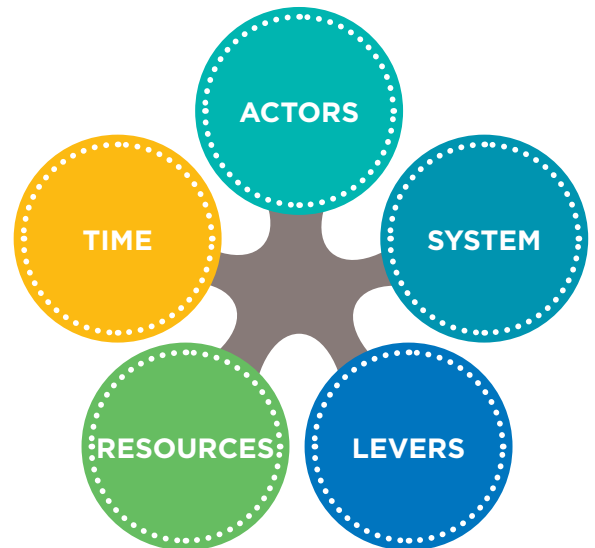
# Waterloo Institute for Social Innovation and Resilience

The Waterloo Institute for Social Innovation and Resilience (WISIR) is working with HIRT as part of the Waterloo Affordable Housing Living Lab (WAHLL) project. WISIR will offer system mapping, provide research, and facilitate social innovation processes to add rigour and increase the impact of HIRT's interventions.

WISIR's systems mapping will couple the group's observations with systems mapping and research to offer insights into the structure of the regional housing system and how it might transform. Research activities may include document analysis, computer modelling, ethnographic research, and analysis of secondary data collected from focus groups, interviews, and facilitated design sessions.

WISIR will also offer process design to support understanding the system as a whole, and to support effectively designing interventions so they serve the community and have the most impact. WISIR has developed a Social Innovation (SI) Lab methodology that integrates whole systems processes like Future Search with design thinking methods. Whole systems processes have the capacity mobilize the energy of communities, while design thinking approaches offer tools for integrating expertise in forming new solutions. Bringing these traditions together makes SI Labs a powerful tool for solving complex challenges.

## Beginning to Map the Housing System



# HIRT Process

» The HIRT has made significant progress since its inception. The following illustrated timeline shares the development of both the round table focus and its actions.

# The Housing Continuum



The HIRT is a new group and participants come from many different backgrounds and strengths. We have been somewhat organic in the nature of our process, moving between big picture system discussions and exploring very specific interventions. One of the strengths of this group is the ability to move between the two very easily, and to challenge each other on where our focus should be placed. The diverse participants and perspectives (from private to public to philanthropic) also ensure that our actions and interventions are balanced and that we maintain a positive tension between advocacy and action.

It is evident from the timeline below that the HIRT has moved quickly toward experimentation. Concrete experiments are key for the round table – they will inform our system level analysis by surfacing areas of resistance and true barriers. This will ensure that the work of HIRT is grounded in true efforts towards systems change. The experiments that the HIRT is exploring are shared on the following pages. Our focus in these experiments is to build ways of working together, and to establish credibility, accountability and action. Our partnership with WISIR grounds us in local expertise around theories of social change and ensures that our approaches are iterative and innovative. We will continue to move between problem exploration, research, ideation and action toward impact.

## CONVENING

➤ In late 2019, KWCF developed the concept of a tri-sector round table focused on affordable housing. KWCF's President & CEO met with a broad cross section of actors in the Waterloo Region and a variety of individuals were invited to join the inaugural Housing Innovation Round Table.

## SCOPING

➤ In early 2020, KWCF began developing the Terms of Reference for this group's work. As mentioned above, the round table is specifically focused on Affordable Rental Housing and Affordable Home Ownership as illustrated in Canada Mortgage and Housing Corporation (CMHC)'s Housing Continuum above.

# HIRT Experiment 1: Kraus Lands EOI

The HIRT has put together a collaborative, visionary bid for the Kraus lands project in Waterloo. The proposal focuses on painting a picture of a harmonious, connected community with affordability at its core. Innovation, collaboration, inclusivity, community-centredness, integration, and sustainability are all key tenets of the proposal. Our goal has been to engage a wide array of leading edge partners to inform the proposal and, our focus should we be successful, will be to develop and implement a broad and inclusive community-centred process that enables us to manifest this new community together. See Appendix 2 for additional information.

# HIRT Experiment 2: Social Investment Fund

The round table is beginning to collectively advance the development of a Social Investment Fund (SIF) for the creation and preservation of affordable housing. There is significant community interest in addressing affordable housing; however, there are few accessible investment options with a focus on impact. Furthermore, both building and maintaining affordable housing supply takes a significant level of financing in order to make progress. Our group has collective experience in various structures and models for investment and is exploring what might be ideal for impact. The goal is to develop an instrument that is flexible enough to allow for investors at all levels to participate, from retail to institutional levels. The vision is to develop a sizable vehicle that can invest in both the creation and preservation of affordable housing stock.

Our next steps are to consider various structure options for the SIF, and to build the scaffolding in order to launch it in 2021. The first priority will be to support the Kraus Lands project (should HIRT win the bid) and to acquire a small portfolio of near-term affordable housing stock.

## GATHERING

» On March 11, 2020, the first round table meeting was held. The group worked on refining the Terms of Reference and began sharing perspectives on the various barriers to affordable housing, and the diverse aspects that contribute to our affordable housing shortage in the Waterloo Region.

## BUILDING

» The HIRT has met monthly since March, with each half-day session building on momentum from the previous while adjusting to reflect new knowledge, interest and approaches from within the group. Our early meetings focused on coming to a shared understanding of where the challenges are within the housing system and where our particular group might catalyze the greatest impact.

# HIRT Experiment 3: The Transparency Project

The combined knowledge of the housing system and the development process is significant around the round table. The Transparency Project is an effort to demystify the development process, aimed specifically at the non-profit community. Increasingly non-profits, including communities of faith, with land that could be deployed to affordable housing find themselves overwhelmed with the potential real-estate development process and partners. Developing a transparency model that can be used by various partners can begin to address these challenges and build confidence in the non-profit entities so that they can readily engage in the conversation and make a decision to move forward. At this stage, we have focused on the overall development process but may work to extend this model further, preparing a transparency model for building projects, as well as process design.

# HIRT Experiment 4: The Affordability Dashboard

Increasingly, we need reliable data and a common language to assess housing affordability in the Waterloo Region. Currently, governments, foundations, housing organizations and the media are sourcing their own data to measure affordability. This experiment will determine the metrics that should be regularly tracked to assess the degree to which housing is affordable and adequate, determine the best data sources, including who will collect it and the frequency of collection. This is an opportunity to lower the time cost for organizations, coordinate efforts, and ensure metrics are relevant and the data is high quality. We are in early stages of this project and have recently identified CivTechWR as a potential partner. They are open to developing a collaborative process and creating a prototype tool for the community to use. The result will be a communication tool that can be broadly used – and the creation of a common language that guides experimentation and leverages expertise of round table participants and the community.

## EXPERIMENTING

» The HIRT is focused on collaborative action and applied research and learning methods. By June 2020, we had identified several potential experiments that built on both the skill sets within the round table, as well as the perceived needs and opportunities in our community. Through the summer and fall months these have evolved, some slowly and others quickly. See further details in the HIRT Experiments sections above.



“ **The HIRT conversations integrate vision, values, and purpose with development, policy, and finance.** The ‘why’ and the ‘how’ receive equal care, and the people around the table have the skills and experience to address both. ”  
– Sean Campbell, Founding Member & Coordinator,  
*Union: Sustainable Development Co-operative*



# Unexpected Learning and Outcomes

**The round table participants are already experiencing the benefits of radical collaboration. Below are several of the outcomes resulting from our short time working together:**

- » Union Co-operative has developed a co-operative model to address the loss of affordable housing supply and has shared this structure with HIRT as a structure to consider for our Social Investment Fund.
- » The United Church of Canada/ EDGE has recently launched the United Property Resource Corporation (UPRC), a development corporation focused on supporting communities of faith in their decisions around real estate. EDGE and UPRC are sharing their connections and learnings with the HIRT and offering inspiration on how we can make broader impact.
- » As a result of the round table connections, UPRC has decided to work together with HIRT partner, WISIR, to build a tool for effective impact measurement for both local and national projects.
- » Maxwell Building Consultants has developed a financial model that makes building affordable housing viable, with investment options that allow for a modest return. In sharing this model with the HIRT, we were able to prepare a bid to the city for a 100% fair and equitable housing development on the Kraus Lands in Waterloo.
- » HIP Developments has leveraged their partnerships and resources to lead in preparing the Kraus Lands bid together with the HIRT. Thanks to HIP, we have been connected to leading edge innovators in our region.
- » Through the Kraus Lands bid, HIRT has reached out to and developed new relationships with a broad range of local and national experts and stakeholders in affordable housing. Examples include Building Equality in Architecture Toronto, Carolinian Canada, Dark Matter Labs, Social Development Centre KW, Killam REIT, Passive House 43 Architecture, and many more.

# Feedback from HIRT Members

Here is what some of the round table members had to say about their experience thus far:

HIRT plays an important role in the effort to enhance the supply of affordable housing by carrying out research on strategic issues (e.g. factors that impede or enhance supply of affordable housing), bringing together key actors in the affordable housing realm (e.g. public, private and philanthropic organizations), and by action-oriented interventions (e.g. Kraus Lands proposal). These initiatives complement the important and really worthwhile efforts of concerned agencies and individuals in this community. – *Mark Seasons, Professor, School of Planning, Faculty of Environment, University of Waterloo*

Working collaboratively for a common goal with non-traditional partners in this space has been extremely rewarding. There is an incredible wealth of knowledge represented by the membership and that difference of perspectives and insights has pushed my own limits of understanding and imagination as to what can be accomplished. – *Ryan Pettipiere, Director of Housing, Region of Waterloo*

Having HIRT in the region is enabling Waterloo to have a larger voice when it comes to housing. HIRT is the reason why the United Church of Canada is prioritizing the Waterloo Region in its redevelopment efforts with communities of faith that are interested in this work. Without the network and connections of HIRT, it would have been more difficult to dedicate capacity and effort in the region. – *Carla Leon, Innovation & Special Projects, EDGE – United Church of Canada*

An unexpected outcome thus far is the broad energy that formed around the Kraus Lands response. There are passion, ideas and desire in this community! We lack leadership and capital to act however, which makes it clear where our efforts need to be focused: on building a scalable leadership vehicle and raising both public and private capital to develop fair housing solutions that can be implemented in Waterloo Region and beyond. – *Scott Higgins, CEO, HIP Developments*

The HIRT work is very important to me, as KWCF has committed to making a significant impact in the area of Affordable Housing in the Waterloo Region. Beyond that, this experiment of bringing together “unusual suspects” to collaborate and innovate in an area of great need, is unique and inspiring. – *Elizabeth Heald, President & CEO, Kitchener Waterloo Community Foundation*

I could not be more thrilled with the response to the Kraus EOI. The speed and energy with which HIRT responded to this opportunity was exceptional. The diversity of skills/experience in the group offers a wide range of perspectives on the needs and possible solutions. However, study/discussion/brainstorming should not take the place of action. – *Michael Maxwell, President, Momentum Developments*

The HIRT work is important to me because it is bringing together the creativity, talent, and experience of a diverse group of committed individuals to solve an important problem in our community that none of us can solve individually. We all care deeply about this community and want to see an affordable housing solution for everyone living in Waterloo Region. We also see the potential for having a huge impact, by creating innovative solutions that are scalable and applicable to other communities as well as Waterloo Region. I hope to see HIRT become the kernel of several innovative organizations that bring financial capital and human talent together to demonstrate how this region can provide affordable housing for everyone who needs it. – *Mike Peasgood, Co-founder, Aeryon Labs*

Union Co-operative is the first of its kind. A co-operative designed to acquire properties for affordability and community ownership. HIRT has provided invaluable feedback and support that will enable Union Co-operative to move faster and provide affordable homes for a greater number of people within our community. – *Sean Campbell, Founding Member & Coordinator, Union: Sustainable Development Co-operative*

## Future view

**Going forward, HIRT will focus on advancing the experiments outlined on pages 4 and 5. We will increasingly reach out to connect with community stakeholders as we develop momentum and clarity. We will also spend time considering our role as a round table and how best to connect with, support, contribute to and advance other existing and potential initiatives in the community around Affordable Rental Housing and Affordable Home Ownership. If you have a project, an idea, or a concept that you would like to bring to the attention of the round table, please do not hesitate to reach out to any of our members or email [info@kwcf.ca](mailto:info@kwcf.ca).**

# Appendix 1

## HIRT Membership

### HIRT Members

#### Philanthropic Sector

**Elizabeth Heald**

President & CEO, Kitchener Waterloo  
Community Foundation (Co-Chair)



**Carla Leon**

Innovation & Special Projects, EDGE  
- United Church of Canada



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#### Private Sector

**Sean Campbell**

Founding Member & Coordinator,  
Union: Sustainable Development Co-operative



**Scott Higgins**

CEO, HIP Developments (Co-Chair)



**Mike Maxwell**

President, Maxwell Building Consultants Ltd.



**Mike Peasgood**

Co-founder, Aeryon Labs



## Public Sector

### **Jonathan Chan**

Corporate Innovation Specialist,  
Canada Mortgage and Housing Corporation



### **Karen Coviello**

Co-Chair City of Kitchener  
Affordable Housing Strategy Advisory Committee

### **Ryan Pettipiere**

Director of Housing  
Region of Waterloo (Co-Chair)



### **Mark Seasons**

Professor, School of Planning,  
Faculty of Environment, University of Waterloo



# Appendix 2:

## Kraus Lands

### Expression of Interest (EOI)

The following are excerpts from our proposal.

#### **True Affordability**

Our objective for the Kraus Lands is to develop a 100% Fair Housing community made up of 70%-80% rental units and 20-30% owned units. The rental mix will consist of supportive (30%), affordable, (30%) and attainable homes, discounted to the market (40%).

#### **A Social Planning Model**

We offer a new planning model, one that is socially focused yet economically achievable. It offers unique building forms, community-lived experience design input and, experimentation that will turn the City of Waterloo's vision {for complete communities} into a tangible and practical reality. This submission offers a design vision and a community engagement process that ensures that diverse voices of lived experience are continually influencing design and construction decisions.

HIRT will draw upon its philanthropic, public, and private sector members, who offer a robust and holistic knowledge base of real estate and social need to participate in the next steps of our design process. This group also offers an expanding network of community representatives who want to be part of the complete community dialogue and the Kraus Lands opportunity.

#### **Social Investment Options for Everyone**

We want the Kraus Lands to use real estate to create homes for our community rather than investment vehicles for absentee speculators. For that reason, HIRT will mobilize the Social Investment Fund discussed in Experiment #2 previously, to support the development and long-term community ownership of the Kraus Lands. By allowing a community driven SIF to guide overall development on the Kraus Lands, the proponents will be in a unique position to create a complete community with 100% Fair and Equitable Housing.



### **Shifting the System**

We want houses and apartments to be homes for individuals and families who will benefit from the stability and affordability our model offers. We want the wealth produced in our community to stay in our community. However, none of this can be achieved if property remains a financial instrument. We strongly believe that the ownership of the Kraus Lands must, in one way or another, remain in the community — as cooperative, social, or even public property.

### **The Co-Creation Process**

Our collaborative and responsive engagement with the community will be focused on co-creation rather than just a feedback mechanism. We intend to deeply engage those with lived experience, local community groups, and an international network of thought leaders regarding the needs and behaviours of potential residents. In fact, that process began with the development of the EOI and will continue should we be successful in our bid. The tenets that guide our design processes are:

- 1) Co-creation
- 2) A tangible sense of place as a unifier of communities
- 3) Affordability as a catalyst for better lives and a stronger community

Through social innovation labs, community round tables and design challenges, we will apply an iterative process to ensure that the final design of the Kraus Lands development will be co-created by its residents and provide a strong and safe sense of place.



# Appendix 3

## Thoughts from Kraus Co-Creators

### **Be Courageous**

“There are easy or expedient decisions. There are also visionary and courageous ones. Supporting this initiative is firmly rooted in the latter. It is something that must be done and an opportunity that should not be squandered. The Former Kraus Lands give us **a once-in-a-lifetime opportunity to shape a future for Waterloo** that speaks to and enshrines our past and enduring values, while at the same time providing a beacon to this and other communities for inclusivity, sustainability, and social justice.”

*- Andrew Bousfield, ABA Architects*

### **Work Together**

“The process of establishing opportunities that guide principles of development within the unique landscape of north east Waterloo through collaboration with HIRT is a **refreshing approach to a potential public/private partnership**. The responsibility that comes with stewarding this development is better when we are together as a wide range of industry colleagues. Zehr Group is happy to be a part of the process of accomplishing some of the challenges that come with housing in 2020 and beyond.”

*- Jim Dodd, Vice President, Business Development, Zehr Group*

### **Listen and Include**

“Social Development Centre’s work on homelessness, tenants’ rights, accessible housing, and neighbourhood change spans over decades. The more recent focus is on urban development, speculation, and commodification of housing, gentrification, and displacement. Our research and engagement strategies are rooted in the mobilizing of resident voices, especially with lived or living experience of poverty, disabilities, and marginalization due to citizen status or colour. We will remain watchful partners committed to creation of inclusive and equitable long-term solutions to economic and community development initiatives across the Waterloo Region that respect our obligation to the land and all its stewards, and to the people and their needs to cooperate, co-create, and share. In this regard, if the HIRT partners are successful with their Expression of Interest, **we will continue to engage the community knowledge and lived expertise in the development and design to ensure accessibility, participation, and representation of all the voices in this ground-breaking enterprise.**”

*- Aleksandra Petrovic, Executive Director Social Development Centre Waterloo Region*

### **Find a New Way**

“In the midst of an overlapping series of cries in the areas of public health, racial equity, income inequality and climate change we must seek new models for the design of cities. I support both the aims of the HIRT and the approaches taken in their proposal for the development of the former Kraus Lands in Waterloo. This wonderful site must not be lost to suburban conventional sprawl; it can be a turning point, built on the principles of climate justice, respect for landscape, well-designed communal spaces, identity, affordability and engagement. The partnerships and outreach that already lie at the core of this proposal contain the promise of a **new era of city building in Waterloo.**”

*- Rick Haldenby, UW - School of Architecture*



### **Connect to the Land**

“As the Executive Director of Carolinian Canada Coalition, I look forward to seeing the integration of healthy landscapes into community planning for an ecological net gain and to make nature accessible to everyone. CCC is keen to work with partners like HIRT to demonstrate how **nature can create climate-smart neighbourhoods to improve social, economic, and environmental outcomes**. In this way, we can together address the triple threat of extinction, climate, and health crises through visionary community planning and implementation.”

- Michelle Kanter, Carolinian Canada

### **Design Together**

“I am an architect with Gensler, founding member of the independent organizations Building Equality in Architecture Toronto ([www.BEAToronto.com](http://www.BEAToronto.com)) and Black Architects + Interior Designer Association ([www.BAIDA.ca](http://www.BAIDA.ca)). I believe it is **extremely important for underrepresented groups to be involved with the design of their built environments**. The organizations I am a part of offer programs dedicated to supporting mentorship, networking, and leadership opportunities for women and visible minorities within the architecture profession. The goals and objectives of the Housing Innovation Round Table and their EOI submission for the Former Kraus Lands offer a compelling process with inclusion, diversity, and sustainability at the core. I was happy to be involved in their initial stakeholder design reviews and am excited to provide continued input and oversight.”

- Camille Mitchell, Gensler / BEAT

### **Build density...beautifully**

“Waterloo is rapidly growing – and the critical part of this is not leaving anything out. People are the strongest resource we have. We need to share and dedicate as much as we can to the affordability and sustainability issues. Greater project density is at that forefront—**showcasing that taller, multifamily development can exist at a beautiful vibrant scale**. It could create wonderful places to live; the Kraus site offers so much in terms of services and amenities to keep the community alive. A world-class region needs world-class development, sometimes with some growing pains, but leading to excellence. The project could push the boundaries on carbon capture, healthy living, and resetting how we develop our communities for everyone to be a part of.”

- Steven Street, Moses Engineering

### **Piecing it all Together**

“KW Habilitation’s vision is a community where everyone belongs and participates which aligns with the vision of this project. Being a charity in Waterloo Region, we have a Strategic Plan that includes participating in and creating Affordable Housing in Waterloo Region as the need is so great. The importance of this development is enhanced by the engagement of community and has the diverse and environmental priorities that will provide a good life. The considerations in this proposal include a variety of options for a diverse population, including garden plots, green space, business space, market space, both large and small living space and easy access to transit. **All of these pieces together help to build a community where everyone can participate.**”

- Ann Bilodeau, Executive Director, KW Habilitation Services



# HIRT

For additional information,  
please email [info@kwcf.ca](mailto:info@kwcf.ca)