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Meeting Date: April 4, 2024

To: Mayor White and Members of Council

From: Silva Yousif – Senior Planner

Subject: Additional Residential Units (ARUs) Policy

Recommendation:

That the Staff Report of Silva Yousif, Senior Planner be received and that:

Council direct Staff to initiate the Zoning By-law amendment process necessary to formally consider these proposed policy changes,

Council direct Staff to bring forward for approval by Council a By-law to establish new ARUs policy and revoke By-law-40-2021- Accessory Dwelling Units.

Background:

As per the Planning Act, Additional Residential Units (ARUs) are defined as a second or third residential unit, apart from the primary residential unit, that can potentially exist on a residential lot containing a detached house, semi-detached house, or townhouse. It is important to note that an ARU is a self-contained residential dwelling unit with its own cooking facility, sanitary facility, living and sleeping area, and can be located either within the principal dwelling or within an accessory building or structure on the same lot as the principal dwelling.

To implement the current Provincial direction regarding ARUs, Upper-Tier municipalities will have to update their Official Plan by including specific policies to enable and guide the establishment of ARUs in each of the local municipalities. Once the Upper-Tier Official Plan is updated, each local Municipality will be responsible for enacting applicable Zoning By-Law provisions and other necessary tools and measures to implement the Provincial direction through establishing more detailed requirements for such units.



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To bring the Township into full compliance with the changes to the Planning Act respecting ARUs, and to respond to the increasing public interest in ARUs as a housing choice, Staff is proposing to bring into effect a new ARUs policy.

Comments and Considerations:

Based on the current Provincial direction on ARUs, Planning staff understands that ARUs are generally expected to be permitted 'as of right' in most fully serviced settlement areas for single detached, semi-detached, and townhouse dwellings, subject to obtaining a building permit and complying with any applicable zoning provisions. However, if there are any clear planning bases for not doing so, such as the presence of natural hazards or resources, servicing constraints, restricted access, insufficient lot size, or other PPS policy-based rationale, then such units may not be permitted. Additionally, municipalities have the authority to set reasonable local standards and minimum requirements that need to be met for establishing such units.

Provincial Legislation

- The provisions for ARUs in the *Planning Act* have been updated by **Bill 23**. As a result of this update, Municipal Official Plan policies or Zoning By-law regulations can no longer prohibit ARUs on a parcel of urban residential land. According to the *Planning Act*, a "parcel of urban residential land" refers to a piece of residential zoned land that has municipal drinking water and sewage servicing. Therefore, the "as-of-right" permissions for ARUs under Bill 23 only apply to urban areas that have municipal drinking water and sewage servicing, which include the Townships Settlement Areas (i.e., Horning's Mills, Corbetton, and Riverview).
- Provincial direction on ARUs was largely provided through Bill 108 More Homes, More Choice Act, which was passed on June 6, 2019. Among other changes, the Bill amended the *Planning Act* to direct municipalities to enact Official Plan policies and Zoning provisions to allow for the establishment of an ARU in a single detached, semi-detached, or row house dwelling and/or within a building or structure ancillary to such dwellings.

To promote the establishment of ARUs in lower density housing types, the Province has mandated municipalities to implement Official Plan policies and Zoning provisions; while removing certain perceived barriers to the establishment of such units, including the exemption of these units from development charges, simplification of building code



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requirements, limitation on the ability to appeal implementing policies and zone provisions, and setting specific standards and requirements for such units. The *Planning Act* regulations (O. Reg. 299/19) that came into effect in 2019, established requirements and standards for ARUs, including the minimum number and type of parking spaces required. Additionally, the regulations remove the ability to regulate the date of construction or occupancy of the principal and/or additional unit. The *Provincial Policy Statement (PPS)* was also amended in early 2020 to include specific policy references to 'Additional Residential Units'. Now that all the necessary Provincial Legislation and policy direction for ARUs are in-effect, Planning staff is proposing to update the Township Bylaw to implement the Provincial direction for such units. This report focuses on the required updates to the implementation of ARUs in the Township, as the Township will be undertaking a conformity exercise to the current Official Plan policy framework following the completion of the County Municipal Comprehensive Review (MCR) process.

Existing Township Policy

- Official Plan (OP): the Current OP that was adopted by the Council of the Township under By-law No. 38-2014 doesn't include any policies relating to gentle intensification through the allowance of ARUs within the municipality. However, Section 5.3.1(e) of the Rural designation permits the development of units accessory to permitted non-residential uses, secondary dwelling units within a detached dwelling, and garden suites. This will be addressed through the conformity exercise that is referenced in the section above.
- Zoning By-law: Zoning By-law 12-79 came into effect in 1979. Under the original Zoning By-law secondary units were not permitted. However, in 2021 Council passed By-law 40-2021 to allow for Accessory Dwelling Units in General Agriculture (A1), Special Agricultural (A2), Hamlet Residential (R1), and Small Lot Estate Residential (ER1) zones subject to specific regulations for lot area, frontage, and parking. Since the passing of this By-law new requirements are necessary due to the Provincial direction.

Proposed Policy

- Update the policies to include a definition for 'Additional Residential Units' and specifically reference that term.
- Establish number of ARUs permitted per lot, for each zone:



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- Two per lot (i.e. one in the principal dwelling and/or one in an ancillary structure) in a Serviced Village, subject to confirmation of adequate servicing capacity.
- One per lot in the principal dwelling or in an ancillary structure in other settlements (i.e. Rural Clusters and Villages with private services).
- Potentially up to two per lot (i.e. one in the principal dwelling and/or in an ancillary structure) on an agricultural or rural residential lot that contains an existing dwelling, subject to adequacy of private services and other criteria.
- The ARUs should be limited in size and clearly secondary and subordinate to the principal dwelling on the lot. A maximum gross floor area of 50% of the gross floor area of the principal dwelling on the lot, with a maximum gross floor area cap (e.g. 1,000 ft²).
- New units would not typically be permitted on a lot that already contains other
 accessory units or uses, such as a boarding/lodging house, garden suite, converted
 dwelling unit, bed and breakfast, or additional accessory farm dwellings.
- For ARUs on a farm, the ancillary structure must be located within the existing farm building cluster, in close proximity to the existing principal dwelling (e.g. establishing a maximum distance), share a driveway and services to the greatest extent possible, and not remove agricultural land from production.
- Proposals outside of settlement areas must meet, or not further reduce, Minimum Distance Separation (MDS I) requirements;
- An ARU cannot be severed from the lot containing the principal dwelling.
- The establishment of ARUs should only be considered if there is adequate existing or proposed municipal or private water supply and wastewater disposal services to accommodate them:
 - ARUs should only be accommodated if the dwellings and lots are large enough to accommodate them and provide adequate parking, landscaping, and outdoor amenity areas.
 - Principal dwelling must have direct, individual vehicular access to a public street and new driveways will be generally not be permitted;
 - Existing trees and vegetation on the lot will be conserved as much as possible;
 - Stormwater run-off will be adequately controlled;
 - Where an existing driveway is proposed to be widened, the interior setbacks for that Zone shall apply to the driveway.
- Establish a process for permitting ARUs throughout the Township:



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 Legalize and register an existing ARU within a principal dwelling or within an accessory building or structure on the same lot as the principal dwelling;

- Obtain a building permit for a new ARU within an existing principal dwelling or within an accessory building or structure on the same lot as the principal dwelling;
- Obtain a building permit to construct and register a new principal dwelling or accessory building or structure on the same lot as the principal dwelling that will also contain a new ARU;
- Site plan control may be applied to ARUs, particularly for ARUs located within an accessory structure; and,
- Potential impacts on environmental and/or heritage resources and any environmental constraints or land use compatibility issues can be satisfactorily addressed.

Engagement

Public involvement is encouraged throughout the duration of the project. Staff have created multiple avenues for public input in the means of:

- Designated Project webpage where all information related to the ARUs policy works with regards to information, announcements and key project milestones.
- A public survey to collect residents' input on the proposed policy.
- An open house is scheduled to be held in person on April 30th.
 - Further communications will be sent with the exact time and location following council recommendation on this report.
- A Statutory Public Meeting will be held prior to the final Council decision.

The Township encourages public feedback to help in the decision-making process, such as removing the barriers to the current Zoning by-law that had restrictions on lot area, frontage, and ground floor area.

Financial Impact:

There may be a loss in development application revenues and Development Charges; however, this policy will provide access to more housing and affordable leasing options. Further registration fees will be established and building permits fees will be collected as per the current process.



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Summary/ Options:

Council may:

- 1. Take no further action.
- 2. Receive this Report for information and that Council Direct Staff to take actions as per the Staff Report of Silva Yousif, Senior Planner Recommendation
- 3. Direct Staff in another manner Council deems appropriate

Conclusion:

Option #2 is recommended.

Respectfully

Prepared By

Silva Yousif

Sr. Planner

Submitted By

Denise B. Holmes

CAO/Clerk