

To: COUNCIL

Meeting Date: 9/12/2023

Subject: 23-307-CD Recommendation Report - Proposed Official Plan Amendment and Zoning By-law Amendment for Additional Residential Units

Submitted By: Joan Jylanne, Manager, Policy Planning

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Report No.: 23-307-CD

File No.: R08/23

Wards Affected: All Wards

RECOMMENDATION(S):

THAT Report 23-307-CD Recommendation Report - Proposed Official Plan Amendment and Zoning By-law Amendment for Additional Residential Units be received;

AND THAT Council adopts the Official Plan Amendment;

AND THAT Council approves the proposed Zoning By-law Amendment;

AND THAT Council repeals By-laws 108-18 and 22-017

AND FURTHER THAT the By-laws attached to report 23-307-CD be passed

EXECUTIVE SUMMARY:

Purpose

The purpose of this report is to provide a recommendation on the proposed City initiated Official Plan and Zoning By-law amendments to permit up to two additional residential units (ARUs) within all single detached, semi-detached and street townhouse dwelling lots.

Key Findings

- The Planning Act was amended to require municipal Official Plans and Zoning By-laws to permit up to three residential units in a single detached, semi-detached and street townhouse dwelling. In practice this means that all such dwellings are required to permit two additional residential units (ARUs).

- The proposed Official Plan and Zoning By-law Amendments are required as the City policies and provisions must conform to the changes to the Planning Act.
- The proposed Official Plan and Zoning By-law Amendments will permit a greater range and mix of housing and could help address the need for more affordable housing options in the City by permitting ARUs as-of-right in any lot zoned for single detached, semi-detached, and street townhouse dwellings.

Financial Implications

- Development Charges are not collected for Additional Residential Units.
- The amendments are City initiated and no application fees are required.

STRATEGIC ALIGNMENT:

☒ Strategic Action

Objective(s): VIBRANT NEIGHBOURHOOD - Promote, facilitate and participate in the development of safe and healthy neighbourhoods with a range of housing options

Strategic Action: Increase housing options

OR

☐ Core Service

Program: Not Applicable

Core Service: Not Applicable

BACKGROUND:

Through Bill 23 the Planning Act was amended to require municipalities to permit three residential units in a single detached, semi-detached or townhouse dwelling. The City's Official Plan and Zoning By-law currently permits additional residential units (ARUs) in certain prescribed circumstances only. The proposed amendments to the Official Plan and Zoning By-law will permit two ARUs on all lots zoned for single detached, semi-detached and street townhouse dwellings, therefore conforming to the recent Planning Act changes.

This recommendation report is further to a statutory public meeting held on June 20, 2023 which introduced the proposed amendments to the Official Plan and Zoning By-law.

No comments from the public were received at the statutory public meeting or through written submission during the review process.

A number of comments and questions were raised by Council at the statutory public meeting. The following is a summary of items raised and a staff response:

- 1) Are the changes to the Planning Act with respect to additional residential units mandatory and does Council have the ability to impose restrictions?

Response:

The Planning Act requires up to three residential units to be permitted within a single detached, semi-detached and townhouse dwelling. Regulations in a Zoning By-law that have the effect of prohibiting residential units is not permissible. The City can apply limited performance standards in a by-law to ensure the functioning of additional residential units on a lot. The recommended amendment includes minimum parking standards, access requirements and maximum building coverage and height in the case of detached additional dwelling units.

- 2) Whether “tiny homes” are considered a type of additional dwelling unit?

Response:

Under the Zoning By-law, a tiny home would be considered a detached additional dwelling unit. The Ontario Building Code makes a distinction between tiny homes and other detached units in that tiny homes are permitted to be constructed off site in a factory and have a maximum building area of 37 m² (398 ft²).

- 3) Home occupations and Additional Dwelling Units:

Response:

At the time of the public meeting staff was considering recommending to permit home occupations on a lot with additional dwelling units. Staff have considered this item further and are recommending prohibiting home occupations on a lot with additional dwelling units. In cases where a home occupation use may be appropriate, an application to the City’s Committee of Adjustment could be made to consider the matter on a site-specific basis.

- 4) How will the City publicize the requirement that additional residential units are now required to be permitted?

Response:

The City has provided newspaper notice of the proposed amending by-law to permit additional residential units in accordance with the Planning Act. Through the City's upcoming Official Plan review there is further opportunity to share information with the public regarding these changes. The City is working on an informational video and guide on "missing middle housing" which includes a section on additional residential units.

- 5) Can the City impose minimum floor area requirements for additional dwelling units?

Response:

The Planning Act does not enable the City to apply minimum floor area requirements through the Zoning By-law. Minimum floor area for dwelling units will still be regulated through the Ontario Building Code.

- 6) Can the City control the design of detached additional dwelling units?

Response:

The Planning Act does not enable the City to regulate the exterior design of additional dwelling units.

- 7) Clarification on the 10% lot coverage requirement for detached additional residential units.

Response:

The City has a total 10% lot coverage requirement for all detached structures in residential zones. This will include detached additional residential units. The purpose of this regulation is not to restrict the size of the detached additional residential unit but to ensure that the total lot coverage does not exceed 50% (40% is typically permitted for the principal dwelling on the lot). This will ensure that a residential lot has enough open space to allow for proper storm water management and drainage.

- 8) Whether the City can require traffic studies in areas that have a high number of additional dwelling units?

Response:

It is expected that existing neighbourhoods will accommodate additional dwelling units over time. Therefore, the City would not require, on an individual site basis, the preparation of a traffic study in support of an additional dwelling unit. However, the City could initiate a transportation review if it was felt that a particular area was experiencing traffic issues as a result of a large number of additional dwelling units.

For new subdivisions the City will require transportation impact studies submitted in support of a project account for additional dwelling units in traffic modelling.

- 9) Whether Council has any other options in dealing with additional residential units?

Response:

Council has the following options in dealing with the matter of additional residential units:

- 1) Approve the recommended By-law amendment which will apply appropriate performance standards to ensure the functioning of residential lots with additional dwelling units.
- 2) Not approve a By-law amendment, in which case the Planning Act will prevail, and the City will not have the recommended site standards in place for additional dwelling units. This is the least recommended option.
- 3) Permitting greater than three additional dwelling units (four or more) as has been done in other municipalities. Staff is not recommending to permit this many additional dwelling units which is consistent with other area municipalities in the Region.

Staff is recommending Option 1 to approve the recommended zoning by-law amendment for up to two additional dwelling units in a single detached, semi-detached or townhouse dwelling. This will ensure that additional dwelling units will be developed with appropriate site standards such as safe and functioning access, adequate parking and lot coverage/height in the case of detached additional residential units.

EXISTING POLICY / BY-LAW(S):

Planning Act:

Bill 23 amended the Planning Act to require the following:

- a) up to three residential units in a detached, semi-detached, or townhouse dwelling if there are no residential units in an accessory building or structure on the same lot;
- b) up to two residential units in a detached, semi-detached, or townhouse dwelling if there is one residential unit in an accessory building or structure on the same lot; and,
- c) one residential unit in an accessory building or structure if there are no more than two residential units in a detached, semi-detached, or townhouse dwelling on the same lot.

The Planning Act was also amended to prohibit a municipality from requiring more than one parking space per ARU or restricting the minimum floor area of a unit.

The Planning Act stipulates that any by-law that has the effect of prohibiting the above permissions is of no effect. The City's current Zoning By-law and Official Plan contain regulations and policies that restrict ARUs based on regulations such as lot frontage, floor area, and number of bedrooms. These standards are now inconsistent with the Planning Act and therefore are required to be removed.

Official Plan and Zoning By-law amendments to permit ARUs are not subject to appeals to the Ontario Land Tribunal (OLT).

City of Cambridge Official Plan:

Currently, the City's Official Plan permits a maximum of two residential dwelling units subject to policies on parking, access, compatibility, and subordination of the unit to the main dwelling. While the majority of the existing City OP policies conform to the new Planning Act legislation with respect to ARUs, there are some policies that Planning staff are proposing amendments to, such as elimination of the requirement of subordination and updating definitions.

Region of Waterloo Official Plan:

Amendment No. 6 to the Regional Official Plan (ROP) requires that area municipalities develop Official Plan and Zoning By-laws to permit up to three residential units in single detached, semi-detached and townhouses. The proposed Official Plan and Zoning By-law amendments conform to the ROP.

Provincial Policy Statement (PPS, 2020) and Growth Plan (Office Consolidation 2020)

Both the PPS and Growth Plan support intensification and encourage municipalities to provide an appropriate range and mix of housing types and densities. The proposed amendments are consistent with the PPS and conform to the Growth Plan.

ANALYSIS:

The proposed amendment will remove current regulations in place in the City's comprehensive Zoning By-law which have the effect of restricting ARUs (outside of certain prescribed circumstances) in single, semi-detached and street townhouse dwellings. The following is a summary of the restrictions that are proposed to be removed for ARUs in the attached amending by-law (Appendix B).

- Removal of the requirement that an ARU be subordinate to the primary dwelling on a lot.
- Removal of the limit of two bedrooms in an ARU.
- Removal of maximum floor area requirements for an ARU.
- Elimination of the restriction of a basement in a detached ARU.
- Elimination of the restriction on the number of ARUs that are permitted based on lot frontage and lot area of a property.

The following is a summary of the proposed standards that will be applicable to ARUs through the proposed zoning by-law amendment:

General Standards applicable to all ARUs:

- A maximum of two ARUs are permitted on a lot that contains a single detached, semi-detached or street townhouse dwelling. This can be comprised of:
 - Two attached ARUs which are contained within the single, semi detached or townhouse dwelling, or
 - One attached ARU and one detached ARU in a separate structure.
- One additional parking space is required to be provided per ARU.
- Home occupations and Bed and Breakfast establishments are not permitted on a lot with an ARU.
- An ARU shall not be permitted within or on the same lot as a group home or boarding, lodging and rooming house.
- An ARU shall not be permitted in the floodplain or hazard lands.
- The maximum distance from the street to the entrance of an ARU is 45 m.

Standards for Attached ARUs:

- Where access to the ARU is provided from the side yard, the entrance to the ARU must be a minimum of 1.2 m from the lot line.

- An unobstructed pedestrian path of travel having a minimum width of 0.9 m and a minimum height of 2.1 m shall be provided from the entrance of the ARU to the municipal street.
- No items may project into the required 0.9 m wide/2.1 m high pedestrian path, aside from any required stair or landing to provide access to the ARU.
- The pedestrian pathway must be designed to maintain stormwater drainage and access to the rear yard.

Standards for Detached ARUs:

- A Detached ARU shall be permitted in the interior side, exterior side yard, or rear yard, subject to setback requirements.
- Minimum separation distance from the principal dwelling is 3 m.
- Maximum height of a Detached ARU is 4.5 m.
- A 0.9 m minimum wide unobstructed pedestrian path of travel shall be provided from the municipal street to the entrance of the detached ARU.
- Maximum lot coverage of 10% is permitted for a Detached ARU.

The recommended zoning by-law amendment is in Appendix B.

Draft Official Plan Amendment:

A minor housekeeping amendment is required to the City's Official Plan in order to permit ARUs as outlined above. Revisions to the Official Plan include eliminating the policy requirement of subordination of the ARU and revising the definition of additional dwelling unit and primary dwelling unit to align with the recommended Zoning By-law Amendment.

The recommended Official Plan Amendment is in Appendix A.

FINANCIAL IMPACT:

- Development Charges are not collected for Additional Residential Units.
- The amendments are City initiated and no application fees are required.

PUBLIC VALUE:

The City initiated amendments will support the public value principle of sustainability. ARUs are an excellent form of small-scale intensification within developed areas of the City and can generally be serviced with existing infrastructure and community services. They also contribute to a range and mix of housing, including affordable housing.

ADVISORY COMMITTEE INPUT:

Advisory Committees Consulted:

Not Applicable

PUBLIC INPUT:

Posted publicly as part of the report process.

Notice of the statutory public meeting was provided in accordance with the Planning Act.

No public submissions were received on the draft Official Plan and Zoning By-law amendments.

INTERNAL / EXTERNAL CONSULTATION:

The proposed Official Plan and Zoning By-law amendment was circulated to the following staff and agencies:

- Regional Municipality of Waterloo
 - No comments
- Grandbridge Energy Inc. (Hydro)
 - No comments
- The Grand River Conservation Authority
 - See Appendix C
- Waterloo Regional District School Board
 - No comments
- Waterloo Catholic District School Board
 - No comments
- City of Cambridge Engineering and Transportation Divisions
 - No comments
- City of Cambridge Economic Development
 - No comments
- City Cambridge Fire Department
 - See Appendix C
- Heritage Planning

- No comments
- City of Cambridge Accessibility Coordinator
 - No comments
- City of Cambridge Sustainable Transportation
 - No comments

CONCLUSION:

Staff is recommending that Council approve the attached amendments to the Official Plan and Zoning By-law to permit ARUs in all land zoned for single detached, semi-detached and street townhouse dwellings. The proposed amendments will align City policy and development standards with recent amendments to the Planning Act.

REPORT IMPACTS:

Agreement: **No**

By-law: **Yes**

Budget Amendment: **No**

Policy: **Yes**

APPROVALS:

This report has gone through the appropriate workflow and has been reviewed and or approved by the following as required:

Director

Deputy City Manager

Chief Financial Officer

City Solicitor

City Manager

ATTACHMENTS:

1. 23-307-CD Appendix A – Proposed Official Plan Amendment
2. 23-307-CD Appendix B – Proposed Zoning By-law Amendment
3. 23-307-CD Appendix C – Staff/Agency comments