



Staff Report PL2024-065

Title of Report: PL2024-065 Additional Residential Units (ARU's)
Department: Clerks
Branch: Planning Services
Council Date: August 7, 2024

Recommendation:

Be it resolved that Council receive Staff Report PL2024-065 for information with accompanying regulations as outlined in the report; and

That Staff prepare a notice of public meeting to amend the Township Zoning By-law to permit:

1. Up to two (2) additional residential units on a single detached, semi-detached and street townhouse lot with municipal water and sewer services including maximum one (1) dwelling unit in a detached building.
2. Up to two (2) additional residential units on an agricultural lot containing a detached dwelling including maximum one (1) dwelling unit in a detached building located within 60 meters of the farm cluster.
3. One (1) additional residential unit within an existing single detached dwelling or in a detached building in the interior side or rear yard in a Residential Type 6 zone.

Property Location: Affects all properties in the Township.

Subject Lands: Residential properties with municipal water and sewer, and potentially agricultural and rural estate properties with private well and septic.

The Proposal: [Bill 23](#) (Royal Assent November 28, 2022) states municipal Official Plan (OP) policies must permit, and Council has no authority to prohibit in a Zoning By-law:

1. Two (2) ARUs in a detached house, semi-detached house, or row house on land with municipal water and sanitary sewer.
2. Above can include one (1) residential unit in a separate accessory building on the same fully serviced lot as a detached house, semi-detached house, or row house.
3. Parking requirement for ARUs of one (1) space per unit.
4. No minimum floor area regulation allowed for ARUs.

Bill 23 also states policies and provisions for ARUs can not be appealed to the Ontario Land Tribunal (OLT).

[Bill 185](#) (Royal Assent June 6, 2024) amended the *Planning Act* Section 35.1(2) to allow the Minister to enact rules overriding local zoning restrictions regarding ARUs.

Municipalities across Ontario are implementing policies and regulations for *ARUs*. Some municipalities have extended policies and regulations to rural areas. The **proposed [Provincial Planning Statement 2024](#)** allows ARUs on agricultural lands. This report proposes amendments to the Township Zoning By-law for ARUs.

Background: Since 2021, the Province has actively pursued its goal of building 1.5 million new homes by 2031. Ontario housing policy and legislative initiatives include:

- [Bill 23 the More Homes Built Faster Act, 2022 \(Royal Assent November 28, 2022\)](#)
- [Bill 97 Helping Homebuyers Protecting Tenants Act \(Royal Assent June 8, 2023\)](#)
- [Bill 185 Cutting Red Tape to Build More Homes Act \(Royal Assent June 6, 2024\)](#)
- [Provincial Planning Statement 2024 \(Approval Pending\)](#).

In addition to the mandate in regarding ARUs in detached, semi-detached and row dwellings with municipal water and sewer as outlined above, it also states development charges cannot be collected for ARUs.

Bill 185 further limits municipal zoning controls on ARUs on private services and allows the Minister to pass regulations to override local zoning. The intent is to ensure lot size and lot coverage is not used restrictively to prohibit ARUs.

Grey County prepared a guidance document on ARUs with recommended policies and zoning rules. Township OP policy permits one ARU in urban areas with some restrictions, a permanent second house on a farm property for a full-time labourer, and ARUs in the main house or accessory building within the farm cluster. The Township Zoning By-law only allows one secondary dwelling in an Agricultural zone. Other lower tier municipalities are at various stages approving ARUs and were considered in developing including Grand Valley, Town of Minto.

This report suggests updates to various sections of the Zoning By-law to implement Provincial mandates and attempt to address pending new planning policy.

Provincial Policy Statement (PPS 2020): The PPS support the proposed changes. Healthy livable communities through mix of housing types 1.1.1, municipalities to provide a mix of housing types and options through intensification 1.4.3.

County Official Plan: Amendment #11 was approved in 2022 just before Bill 23 came into effect. The amendment focused on second units, tiny homes and garden suites encouraging housing in the following ways:

- Local municipal policy development to integrate ARUs into neighbourhoods.

- Allow two (2) ARUs in Primary and Secondary settlements, Rural and Agricultural areas, as well as inland lake and shoreline areas.
- Specify policies for ARUs mainly on lots without municipal services.

Township Official Plan: Section 5.2.1.2 (11) ARUs permits:

- “An additional residential unit in the form of an apartment” in a detached, semi-detached, townhouse if issues of parking congestion, snow storage and streetscape are addressed.
- Regulations on ARUs to be included in the Zoning By-law.
- Sections 3.4.2 and 3.4.3 encourage intensification, conversion of dwellings, affordability, provision of rental accommodation.
- Other sections encourage efficient use of infrastructure, variety of housing types.

Zoning By-law: Some ARU provisions are included as follows:

1. Agricultural-1 zones allow one secondary apartment subject to rules in 6.13 to ensure proper private serving, building permit and one parking spot.
2. Residential 1 and Residential 2 zones permit “an accessory apartment” subject to rules (5.24) that ensure structural suitability, protect front and side yard projections toward a street, maintain architectural character, ensure staircases in rear yard not visible from street, and require additional parking.
3. The Residential-3 zone allows semi-detached and up to four-unit buildings subject to specific regulations on lot area, frontage, and other requirements, but does not permit single family detached dwellings.

Subject to some changes to regulations in Section 5.24, A-1, R1, R2 and R3 zones could allow ARUs in some form.

The Residential -4 zone allows only apartments on full municipal services subject to regulations on frontage, area and building setbacks, minimum floor area, 40% lot coverage, 11-meter building height and provisions related to landscaped open space, play space and privacy yards. R4 zones could not allow ARUs.

The Residential -5 zone allows one single detached dwelling on a lot but does not permit accessory apartments. The provincial mandate would allow up to two (2) ARUs in R5 zones if municipal water and sewer is available.

Residential -6 zones apply in rural areas where homes have private well and septic systems. R6 zones would not allow ARUs through the provincial mandate unless wording is specifically added to the Zoning By-law. Council has approved rezoning applications for garden suites as temporary uses for up to 20 years in 10-year increments. In the past ARUs in these areas have typically been garden suites approved as temporary uses.

Staff Review:

It is important rules be specified in the Township Zoning By-law for ARUs. For urban areas with municipal water and sewer services, standards imposed by the Province can be augmented. The proposed definition of ARU mirrors obligations in the *Planning Act* for dwelling units with municipal water and sewer. Part of the definition will address ARUs on private well and septic. All ARUs are to be for long term rental purposes only based on the proposed definition in the Township's By-law.

For ARUs in agriculture (prime) and rural areas, the Provincial mandate is clearer in the proposed 2024 Planning Statement. Municipalities can decide if ARUs should be allowed. Proposed section 4.3.2 #5, allows maximum of two (2) ARUs that comply with Minimum Distance Separation (MDS), do not hinder agricultural use, have proper private sewage and water services, are limited in scale, and close to the farm cluster to minimize loss of productive land.

ARUs on Municipal Water and Sewer

It is not proposed to remove "accessory apartments" as permitted uses in Residential 1 and Residential 2 zones, but to revise Section 5.24 zone rules for "accessory apartments" in favour of new rules for ARUs.

The following summarizes recommended zoning standards for up to two (2) ARUs in urban areas with municipal water and sewer:

- Define ARUs in Section 3 of the Zoning By-law.
- Repeal and replace Section 5.24 permitting "Accessory Apartments."
- Add one (1) ARU as a permitted "Accessory use" in Section 5.1.
- Permit up to two (2) ARUs on the "same property" as a single detached, semi-detached or townhouse subject to the following provisions:
 - a) The primary dwelling is connected to municipal water and sanitary sewer as are all ARUs, and the Building Code is met.
 - b) Required building setbacks, lot coverage and building height provisions in the original zone of the primary dwelling are met. Maximum lot coverage may be increased to 45% where an ARU is provided in an accessory structure without need for a minor variance.
 - c) Setbacks and other provisions for accessory buildings in Section 5.1 apply to the maximum one (1) ARU allowed in a separate building.
 - d) Subject to Building Code provisions, an ARU can be in a basement but not a cellar (floor to ceiling height more than 50% below grade).
 - e) One parking space per ARU is required meeting the size and location provisions in Section 5.7.

- f) A one (1) meter wide hard surface path is to be provided from the ARU parking space to the front door of the unit, and the unit must be identified with a small visible sign with civic address to assist emergency response.

These provisions may be “over-ridden” by Minister provisions that may be published pursuant to Bill 185.

The following is picture of an ARU for a detached home in another municipality. Note the available parking space and the hard surface path to the side where the access to the basement ARU is provided. The ARU is not visible from the street.



Staff is reviewing the impact of proposed ARU requirements for lands subject to the Minister’s Zoning Order. These lots are much smaller than the R1 zone and tend to host purpose built larger homes that may limit opportunity for ARUs.

ARUs in Agriculture and Rural Areas

Currently the Agricultural 1 zone (6.13) allows one secondary apartment with very limited controls on the siting or size of the unit. Wording in the A-1 zoning will be updated to comply with proposed new planning policy applicable to ARUs. The following summarizes recommended zoning standards for up to two additional units in the A1 and R6 zones:

- Permit up to two (2) ARUs in an A1 zone where a single detached dwelling is permitted subject to the provisions of Section 6.2 (farm parcel provisions) and the following:

- a) ADUs are to be located within the farm building cluster in compliance with minimum front, rear and side yards, but in no case less than the existing yards applicable to the primary dwelling.
- b) Maximum one (1) ARU may be in the existing single detached home.
- c) Maximum height of a separate ARU structure is one storey.
- d) All ARUs shall have less gross floor area than the primary dwelling.
- e) One parking space per ARU is provided within the farm building cluster in compliance with Section 5.7 using an existing driveway.
- f) Building Code provisions are met and private well and septic systems appropriate.
- g) Provisions for a hard surface path to the unit are not included, but any ARUs are to be identified by a small visible sign.

Below is a rural ARU associated with a farmhouse in another municipality. The ARU is above the three-bay garage which is shared by the owners of the main residence and the ARU occupant.



- Allow maximum one (1) ARU in an R6 zone, or A-1 zone where provisions of 6.12 apply (less than two-hectare lot area), subject to the following:
 - a) The ARU shall be located within the gross floor area of the existing detached dwelling unless within a garden suite where the minimum front, rear and side yards shall be equal to or larger than the primary dwelling.
 - b) Maximum height is one storey and maximum 60 square meter (645ft²) gross floor area of an ARU as a garden suite.
 - c) Maximum lot coverage for the primary dwelling in the original zone applies.
 - d) One parking space is provided for the ARU in compliance with Section 5.7.

- e) Existing garden suites legally approved as a temporary use may be retained permanently provided, they are relocated to comply with new zoning rules.
- f) Building Code provisions are met and private well and septic systems appropriate.
- g) A one (1) meter wide hard surface path is to be provided from the ARU parking space to the front door of the unit, and the unit must be identified with a small visible sign with civic address to assist emergency response.

On rural estate lots and smaller agricultural parcels only one (1) ARU is recommended to retain space for existing well and septic and to ensure parking can be provided. New garden suites would not be restricted by the 20-year time limit, while previously approved (mobile and temporary) garden suites can become permanent when they are relocated, if necessary to meet the new rules.

Conclusion: ARUs can be an excellent source of affordable rental housing, and the definition to be added to the Zoning By-law requires units be for long term rental purposes only. The proposed amendment implements the Provincial mandate for ARUs on lots with municipal water and sewer. Options for ARUs on lots with private well and sewage and on Agricultural-1 Zone properties are suggested.

Public notice is required under the *Planning Act* to implement new zoning rules, but there is no appeal on the Provincially mandated ADUs on lots with municipal water and sewer services.

Respectfully Submitted,

Prepared by: Senior Planner (on behalf of Township of Southgate)	<i>Original Signed By</i> _____ Bill White, MCIP, RPP Triton Engineering Services
Approved by: Senior Manager of Development and Community Services	<i>Original Signed By</i> _____ Kenneth Melanson, RPP, MCIP
Approved by: Chief Administrative Officer (CAO)	<i>Original Signed By</i> _____ Dina Lundy

- Attachments:**
- Attachment 1 - Draft Zoning By-law Amendment
 - Attachment 2 - County Additional Dwelling Unit Position Paper

Attachment 1 – Draft Zoning By-law Amendment (Additional Residential Units (ARUs))

Add to Section 3, Definition of “Additional Residential Unit” shall be a Dwelling Unit as defined in this bylaw located on the same lot as existing single detached, semi-detached and townhouse dwelling (freehold owned townhouse) available for long term rental purposes only where municipal water and sewer services are available, and where private well and sewage disposal services are provided to a single detached dwelling shall be a Dwelling Unit available for long term rental purposes only located on the same lot as a primary single detached dwelling.

Add to Section 5.1 Uses Permitted Accessory Uses (ix) one additional residential unit in a detached accessory building with maximum building height of one storey unless located above the main floor of a garage where all floor area of the additional residential unit shall be confined to one storey.

That current zone rules in Section 5.24 be repealed and replaced with proposed zone rules in a new section 5.24 as follows:

Current Zone Rules Section 5.24	Proposed Zone Rules Section 5.24
5.24 Accessory Apartments	5.24 Additional Residential Units in zones with municipal water and sanitary sewer.
Wherever an accessory apartment is permitted by this By-law, such an accessory apartment shall only be constructed or used in accordance with the following:	Notwithstanding any permitted use for an accessory apartment, up to two additional residential units shall be permitted on the same property as a single detached, semi-detached or townhouse dwelling permitted in the applicable zone on its own separate parcel of land subject to the following:
(a) For conversion of an existing dwelling, the structure shall be certified to be structurally adequate for such alteration or remodeling and meet all the requirements of the Building Code to the satisfaction of the Chief Building Official.	(a) The existing primary dwelling is connected to municipal water and sanitary sewer, the additional residential unit is also connected to water and sanitary sewer, and all applicable permits are obtained under the Ontario Building Code.
(b) Additions to accommodate the installation of an accessory apartment are permitted, but shall not project closer to a front lot line or an exterior side lot line than the existing dwelling.	(b) The required side, rear and front yard, lot coverage and maximum height requirements in the original zone of the primary dwelling shall apply to any additional dwelling unit, except where an additional dwelling unit is to be located in a detached building required lot coverage is increased to 45% maximum.

(c) External alterations of the building shall preserve the general appearance and character of the building.	(c) The provisions of Section 5.1 for accessory uses shall apply to one additional residential dwelling located in a detached building or structure.
(d) Exterior staircases shall be located in a rear yard and shall not be visible from the street.	(d) Subject to the requirements of the Ontario Building Code, an additional dwelling unit may be established in a basement as defined in this bylaw but shall not be located in any cellar as defined in this bylaw.
(e) Off-street parking is provided as set out in Subsection 5.7 of this By-law and within the front or side yard of the lot in which the building is situated and shall not be permitted to be provided in tandem to the parking of the principle dwelling.	(e) The required number of parking spaces for an additional residential unit shall be one space per unit, which shall be otherwise in compliance with Section 5.7 (b) to (i) of this bylaw.
	(f) A hard surfaced pathway at least 1 metre wide shall be provided from the entrance of the Additional Dwelling Unit to the required parking stall.
	(g) No additional residential unit shall be occupied unless said unit is identified by one visible unlit sign displaying the civic address and directions to the unit such sign to be between 0.2m minimum and 0.5m maximum in height and no larger than 0.2 square meters in area.

That the following be added to the new Section 5.24:

“5.24.1 Additional Residential Units in Agricultural-1 Zones where private well and sewage disposal systems are provided.

(a) That the words “One Secondary dwelling unit is” in section 6.1(k) be replaced with the words “Maximum two additional dwelling units where a single detached dwelling is” so as to read:

“(k) Maximum two additional dwelling units where a single detached dwelling is permitted – see 6.13.”

(b) That section 6.13 be repealed and replaced with the following:

6.13 Regulations for Additional Dwelling Units permitted in Section 6.1 (k).

- a) No additional residential unit shall be established or occupied except in compliance with the following:
 - i. The additional dwelling unit is located within 50 meters maximum of the farm building cluster.
 - ii. Minimum front, rear and side yards, and maximum lot coverage shall comply with section 6.2 but in no case shall the minimum front yard or side yard abutting an improved street be less the existing yard of the primary dwelling.
 - iii. Only one additional dwelling may be in the existing primary single detached dwelling except that no more than 50% of the total floor area may be located in a cellar as defined in this bylaw.
 - iv. Maximum height of a separate additional dwelling unit structure is one storey unless located above an accessory garage in which case the entire gross floor area of the additional dwelling unit shall be located maximum one storey above the garage.
 - v. All additional dwelling units shall have a maximum gross floor area less than the primary dwelling.
 - vi. One parking space per additional dwelling unit is provided in compliance with Section 5.7 using an existing driveway.
 - vii. Building Code provisions are met and private well and septic systems appropriate.”
 - viii. The additional residential unit is identified by one visible unlit sign displaying the civic address and directions to the unit such sign to be between 0.2m minimum and 0.5m maximum in height and no larger than 0.2 square meters in area.
 - ix. Any garden suite legally approved as a temporary use pursuant to previous zoning bylaw amendment may be retained permanently provided the garden suite is relocated to comply applicable provisions in 5.24.1 (a).

5.24.2 Regulations for One Additional Dwelling Unit permitted on an Existing Lot having lot area less than Two Hectares under Section 6.12, or as a permitted use in Section 13.1 (a) for a Residential Type 6 (R6):

- a) No additional residential unit shall be established on a lot having lot having less than Two Hectares under Section 6.12, or on the same lot as a use permitted in Section 13.1.(a) except in compliance with the following:

- i. The provisions of Section 6.13 (a) iii through ix shall apply to maximum one additional residential unit permitted on the same lot as a single detached dwelling.
- ii. Notwithstanding provisions in 6.13 iv maximum building height of any additional dwelling unit constructed as a garden suite is one storey and maximum gross floor area is 60 square meters (645ft²)
- iii. Any garden suite legally approved as a temporary use under a previous zoning bylaw amendment may be retained permanently on the same lot provided the garden suite is relocated to comply applicable provisions in 5.24.2 (a).