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TO:	CHAIR AND MEMBERS PLANNING AND ENVIRONMENT COMMITTEE MEETING ON MAY 9, 2016
FROM:	G. KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT & COMPLIANCE SERVICES & CHIEF BUILDING OFFICIAL
SUBJECT:	INFORMATION REPORT ON SHIPPING CONTAINERS AND TRAILERS

RECOMMENDATION

That, on the recommendation of the Manager, Development Planning and Chief Building Official, that:

- a) the following report **BE RECEIVED** for information; and
- b) Development Services Staff **BE DIRECTED** to initiate an application to amend the Zoning By-law and Site Plan Control By-law to implement the findings of this report.

PURPOSE

The purpose of this report is to identify issues relating to the use of shipping containers as accessory structures in residential areas. In addition, staff are reviewing the need to define shipping containers and trailers to determine if there is a need to control these uses through the building permit process and/or through changes to the Zoning By-law and Site Plan Control Area By-law.

BACKGROUND

Staff have been working over the last several months on a review of the use of shipping containers for the temporary or seasonal storage in both commercial and residential areas. In addition, we have received multiple requests from companies inquiring about the City's policies on their use. This has highlighted the need for a review of the City's current By-laws and approval requirements for this type of use. On June 10, 2014, Municipal Council requested that staff investigate and report back to the Planning and Environment Committee on the banning of storage containers and other types of similar non-permanent structures in residential rear yards.

The following report includes an analysis of the impacts of this type of use on adjacent lands. A survey of other municipalities has also been carried out to determine how they are dealing with this type of structure(see Appendix A). The report also includes suggestions for possible by-law amendments should Council wish to regulate this use. Staff have also carried out a review of how trailers are used as permanent and temporary uses and whether or not they should be regulated.

Shipping Containers as Accessory Uses to Single Detached Dwellings

The following is in response to Council's June 10, 2014 resolution regarding the use of shipping containers as accessory structures in residential neighbourhoods.

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Shipping containers are typically 6 metres(20 ft) long X 2.4 metres (8 ft) wide X 2.6 metres (8.5 ft) high in size. This means that they would fall within the size of typical backyard shed. Backyard sheds are usually constructed of wood with a pitched roof(similar to the main dwelling) and are very unassuming. A shipping container on the other hand has corrugated metal sides and a flat roof with entry from one end and does not look like a typical backyard shed. The City has received concerns from some area residents where homeowners have installed shipping containers as an accessory structure. The complaints are based on the aesthetics of the structure(ie non-residential character of the structure; shipping container markings; rusted panels, etc.).

During our review of other municipalities in southern Ontario, it was discovered that shipping containers are permitted as accessory structures in single family residential neighbourhoods in all municipalities surveyed save and except the City of Waterloo. In addition, building permits are required for this type of structure, as the area of the structure exceeds 10 m². It should also be noted that a 2004 Building Code Commission decision indicated that shipping containers are considered to be a “building” by definition.



From a Building Code perspective, accessory structures/buildings do not require a permit if they are under 10 m² in size. From a Zoning By-law perspective, there are no setback requirements when the structure is under 10 m² and is less than 4 metres in height and located fully in the rear yard. If it exceeds these dimensions, the standard accessory structure setbacks would apply. When an accessory building or structure is located in an interior side yard or a rear yard, it can be no closer than 0.6 metres (2.0 feet) to the side lot line and rear lot line. Where the height exceeds 4.0 metres (13.1 feet) but in no case more than 6 metres (19.7 feet), the side and rear lot line setback shall also be increased (i.e. if the accessory structure is five(5) metres in height an additional one(1) metre of setback is required).

No accessory building or structure is permitted within a required front yard or the exterior side yard. This could still allow for an accessory structure to be located beyond the required exterior

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side yard or required front yard and as a result be visible by the public. Although the corrugated metal appearance of a typical shipping container does not match that of a standard garden shed there are no controls to guide the appearance of a shed(whether it be standard construction or prefab). The majority of these accessory uses would not be seen by the general public, however, they would be seen by adjoining neighbours.

Should Council wish to ban the use of shipping containers as accessory structures in residential areas it would be necessary to create a definition for this type of use.

The Town of Oakville defines shipping containers as follows:

“means an article of transportation equipment, including one that is carried on a chassis, that is strong enough to be suitable for repeated use and is designed to facilitate the transportation of goods by one or more means of transportation and includes intermodal containers, bodies of transport trucks, or straight truck boxes.”

In order to restrict these types of structures to be used as accessory structures in residential areas Section 2 - Definitions of the Z-1 Zoning By-law would need to be amended to include this(or a variation of this) definition. In addition Section 4.1 – Accessory Uses would also need to be amended to expressly prohibit a shipping container as an accessory structure in residential areas.

Although the above solution would control the placement of shipping containers as accessory uses it is difficult to control the “look” of these uses. There are numerous websites which illustrate how shipping containers can be modified to provide for housing and storage.



Once cladding is applied to a shipping container it is difficult to determine whether or not the underlying structure is a container or is based on standard frame construction. As a result, staff do not recommend any changes to the by-law at this time as it relates to the use of shipping containers as accessory structures in low density residential zones. Therefore, if a shipping container is to be used as accessory building a building permit will be required (provided they

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are greater than 10 m²) and the existing regulations of the Zoning- By-law are to be applied.

It should be noted that if a shipping container is to be used as a 2nd dwelling, then additional zoning regulations relating to 2nd dwelling units will also need to be considered in any amendments to the Zoning By-law and/or Site Plan Control By-law.

Shipping Containers as Permanent Accessory Structures to Commercial Developments

Staff have received numerous requests from commercial property owners about utilizing shipping containers for accessory storage purposes. Rather than constructing an addition to the building it is much more economical to have a shipping container placed on site to perform the same function. The main issue with allowing shipping containers as an accessory use for a commercial development is that it may be easily seen by the public(see example below).



As with residential areas, there are specific Zoning By-law regulations which apply to the appropriate location and setback for accessory structures. Commercial accessory structures are only permitted in the rear or interior side yard and are not permitted within a required front yard or the exterior side yard. The maximum height of an accessory structure in a commercial zone is 6 metres(19.8 feet). It should be noted that accessory structures are not permitted within a required exterior sideyard and as a result it could be permitted in an exterior sideyard (beyond the required yard). If this were to happen, the structure could be easily seen by the public. Based on this, it is staff’s opinion that additional scrutiny should be given to projects where shipping containers are proposed to be used as an additional accessory storage area.

In order to ensure that this type of structure is properly integrated within a commercial development it is recommended that the Site Plan Control By-law and the Z-1 Zoning-Bylaw General Provisions section be amended to:

- allow for a shipping container only where it does not compromise any other regulations

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of the Zoning By-law(ie must be included in calculations for GFA, parking, coverage, etc.);

- require shipping containers to be located in the rear yard or interior sideyard;
- require an amendment to the site plan to ensure that the structure does not interfere with the function of the site and that it is properly screened from public view;
- permit only one shipping container per property as an accessory use in association with a commercial use (to ensure that there are not multiple shipping containers based on multiple commercial uses on one site);
- require that the shipping container matches or compliments the colour of the existing commercial structure; and,
- shipping containers are sited so as not to negatively impact the public realm and the overall City image.

With the inclusions of these regulations, the accessory structure will be hidden or screened from public view; it will limit the number of containers permitted on each site; and it will ensure that the structure blends with the existing commercial use.

Shipping Containers as Temporary Uses

A recent trend has emerged with respect to utilizing shipping containers as a form of temporary storage unit. In discussions with an industry representative it was noted that there are several companies that offer a service whereby a property owner can have a shipping container delivered to their property(typically residential) to allow for a homeowner to store the contents of the home prior to relocating and/or renovating the dwelling. The shipping container is moved to the site by flatbed truck and then taken away from the site and stored at location by the company until such time as the home owner moves to their new home and/or the renovation is complete.

As this is a temporary use, some of the issues which should be addressed include:

- how long should the shipping container be on site?
- where should it be located?
- how should the City regulate this type of use?

In discussions with industry representatives it was noted that the maximum time period that someone would typically need a shipping container would be approximately one month. The containers are typically located in the front yard for easy access, however, they could also be located in an interior yard as well. The container should be located so as not to interfere with site triangles (to ensure safe passage of vehicles and pedestrians) and should not be located within the road allowance. To address this, staff recommends that Section 4 - General Provision of the Z-1 Zoning-Bylaw, be amended to:

- include a maximum time frame of 1 month for this type of use within a residential area;
- include a maximum time frame of 4 months within a calendar year in commercial areas;
- and
- regulate the location of the use(ie yard location)

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Although there is a need to regulate the location and time frame for this type of temporary use in a residential zone it is not anticipated that there would be any added value to require a building permit. For seasonal commercial uses there is no added benefit to require site plan approval (given the temporary nature of the use). A building permit, however, (similar to such temporary uses as tents) should be required for seasonal commercial uses to ensure that the use complies with the zone regulations and to ensure that the maximum 4 month time frame is adhered to.

Trailers

The Zoning by-law currently defines a trailer as:

“means any vehicle so constructed that it is suitable for being attached to a motor vehicle for the purpose of being drawn or propelled by the motor vehicle.”

It is a standard practice for developers to have a temporary sales trailer on a parcel of land which is slated for home construction to address early sales during construction. Building Division staff are finding that trailers are also being used by individuals/companies as a base for car dealerships or other commercial uses. As a trailer is typically considered a vehicle, it is not subject to building permits or development charges. However, in most of these instances, the wheels of the trailer are concealed by skirting and for all intents and purposes, the vehicle looks and operates as a permanent structure.

It is staff’s position that if these uses are to continue then there need to be regulations in place to ensure that building permits are obtained and development charges are collected. It is recommended that the definition of trailer in the Zoning By-law be amended to include these types of permanent uses. If a trailer is intended to be used on a temporary basis, the same time frame as noted in the Shipping Containers as Temporary Uses section above should apply.

Development Charges

Staff have carried out a review of the Development Charges By-law to determine if shipping containers are subject to development charges.

Commercial Uses

Section 4 of the By-law notes that the owner of any land in the City of London who develops or redevelops(including the placement of one or more structures) the land or any building or structure shall pay development charges to the City calculated in accordance with the applicable rate as described in the by-law. The placement of a storage unit or trailer on the land constitutes development. If the shipping containers are to be used for storage (no water and sewer services) for a commercial business on anything other than a seasonal (ie. temporary) basis, then development charges are required to be paid in accordance with the By-law (see specifics of this exemption in by-law s.36, paragraph (h) below).

Residential uses

Development charges are not collected on construction or placement of a residential garden shed. It is the use of the property as a new residential unit that typically triggers the payment of a development charge. An accessory residential building (like a garden shed) does not trigger a charge or any addition to the charge previously paid.

The creation of an additional dwelling unit within a storage container (ie. an accessory building according to the development charges by-law) would also be exempt under the DC by-law in

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accordance with Provincial regulations pertaining to the addition of additional units under the DC Act (see exemptions (a) through (e) below) and assuming the creation of such unit met all other Building Code and Zoning requirements.

The exemptions to development charges are substantially contained in sections 35 through 40 of the DC by-law. Exemptions noted in Section 36 of the DC By-law pertain mainly to residential units and a very narrow range of commercial and agricultural development.

Certain Developments Exempt

No development charge under section 4 is payable where the development or redevelopment;

- (a) is an enlargement of an existing dwelling unit;*
- (b) creates one or two additional dwelling units in an existing single detached dwelling if the total gross floor area of the additional dwelling unit or units does not exceed the gross floor area of the dwelling unit already in the building;*
- (c) creates one additional dwelling unit in a semi-detached or row dwelling if the gross floor area of the additional dwelling unit does not exceed the gross floor area of the dwelling unit already in the building;*
- (d) creates one additional dwelling unit in any existing residential building other than a single detached dwelling, a semi-detached dwelling or a row dwelling if the gross floor area of the additional dwelling unit does not exceed the gross floor area of the smallest dwelling unit already in the building;*
- (e) creates one dwelling unit contained within an accessory building per parcel if the gross floor area of the additional dwelling unit does not exceed the gross floor area of the primary dwelling unit located on the parcel;*
- (f) is a parking building or structure;*
- (g) is a bona fide non-residential farm building used for an agricultural use;*
- (h) is a structure that does not have municipally provided water and sanitary facilities and that is intended for seasonal use only;*
- (i) is a 'temporary garden suite' installed in accordance with the provisions of the Planning Act, as amended;*
- (j) is an air supported structure or arch framed structure clad with fabric-type material, temporary in nature, the purpose of which is to provide indoor facilities for recreational and sports activities owned and operated by a non-profit organization and available for public use.*

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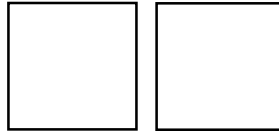
CONCLUSION

At Council’s direction, amendments to the Z-1 Zoning By-law and Site Plan Control Area By-law should be brought forward at a future meeting of the Planning and Environment Committee to provide regulations for shipping containers and trailers in the City of London.

PREPARED and RECOMMENDED BY:	
ALLISTER MACLEAN MANAGER – DEVELOPMENT PLANNING	
CONCURRED BY:	SUBMITTED BY:
TERRY GRAWAY MANAGER – DEVELOPMENT SERVICES & PLANNING LIAISON	G. KOTSIFAS, P. ENG. MANAGING DIRECTOR, DEVELOPMENT & COMPLIANCE SERVICES & CHIEF BUILDING OFFICIAL

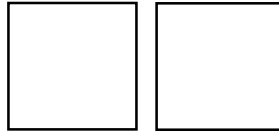
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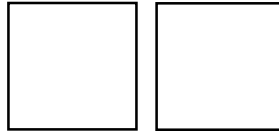


**Appendix A
Municipal Survey**

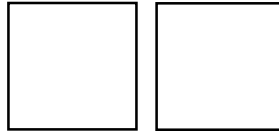
Municipality	Burlington	Hamilton	Kitchener	Oakville	Waterloo	Windsor
Where are Shipping Containers permitted?	SCs fit the criteria for Accessory Structures in Burlington; these are allowed in all zones except the amenity areas in Stacked Townhouse zones	SCs fit the criteria for Accessory Buildings in Hamilton; these are allowed in all zones	SCs fit the criteria for Accessory Buildings in Kitchener; these are allowed in all zones	Everywhere as outside storage, except in zones with manufacturing, warehousing and transportation terminal uses; in these zones, they require a building permit.	Not permitted in Waterloo	SCs fit the criteria for Accessory Buildings in Windsor; these are allowed in all zones
Are Shipping Containers permitted as accessory structures in single family residential neighbourhoods?	Yes	Yes	Yes	Yes	n/a	Yes
Is a Building permit	Yes	Yes	Not if they're an	Yes, a trailer (used	n/a	Yes



Municipality	Burlington	Hamilton	Kitchener	Oakville	Waterloo	Windsor
required?			unmodified Shipping Container; if it is modified, then yes (e.g. if windows are added)	as a sales office) that is bearing on concrete blocks is considered a building and would require a building permit even if the wheels are still attached		
Is Site Plan Approval Required?	Site Plan Approval is required for trailers on blocks, including compliance with zoning regulations (e.g. setbacks)	Yes for Shipping Containers intended for commercial & industrial use	Yes. Required in industrial/commercial or multi-residential sites	Yes, Site Plan Approval is required for all non-residential buildings which will be in use for longer than a month period.	n/a	Yes
Are there time periods applied to the	Generally don't set timeframe as	No, don't distinguish	SCs treated as accessory buildings, so counted as	No, don't distinguish between temporary	n/a	Yes, 120 days is temporary,



Municipality	Burlington	Hamilton	Kitchener	Oakville	Waterloo	Windsor
temporary uses?	they now comply with applicable law and the OBC, some projects may take several years	between temporary and permanent trailers	permanent uses	and permanent buildings		more than that is permanent
Are there specific Zoning regulations for shipping containers?	No, but there are for accessory buildings	if used as accessory storage to principal residential use, permitted if it complies with provisions for accessory buildings.	Treated as building, must meet setback requirements of designated area	permitted on lots that permit outside storage. Considered accessory buildings on lots that have manufacturing, warehousing and transportation terminal uses.	n/a	Treated as accessory building, must comply with those regulations
Are temporary uses such shipping containers defined in	No	Not defined, but it is mentioned that they should be	No	are defined, but are not defined as a building.	n/a	No



Municipality	Burlington	Hamilton	Kitchener	Oakville	Waterloo	Windsor
your by-law?		treated like buildings		Tent: No		
Are they subject to Development Charges?	The trailer is considered a permanent building and is subject to City, Regional and Educational development charges	Yes	Yes, because they would be treated as accessory buildings	Yes, DCs are applicable for all non-residential buildings which will be in use for a period exceeding 6 months	n/a	Yes