

Report to Planning and Environment Committee

To: Chair and Members
Planning & Environment Committee

From: Gregg Barrett
Director, City Planning and City Planner

Subject: Implementing Additional Residential Units Requirements of
the Planning Act (Bill 108) – Information Report
City-wide/City of London

Meeting on: July 13, 2020

Recommendation

That, on the recommendation of the Director, City Planning and City Planner, the following actions be taken with respect to the Official Plan and Zoning By-law review initiated by the Corporation of the City of London, relating to all lands within the City of London, and involving Official Plan Amendments to revise policies related to additional residential units and Zoning By-law Amendments to revise regulations related to additional residential units, the following actions **BE TAKEN**:

- a) That the attached information report and draft London Plan, 1989 Official Plan and Zoning By-law amendments to implement Provincial *Planning Act* (Bill 108 - *More Homes, More Choices Act.*) changes **BE CIRCULATED** for public review in advance of the Public Participation Meeting to be held at a future date.

Executive Summary

Purpose and the Effect of Recommended Action

The report is intended to provide the necessary background to the new Provincial requirements and provide information to Council and the public on the nature of the changes as well as provide draft London Plan, 1989 Official Plan and Zoning By-law amendments to review in advance of the future public participation meeting.

Rationale of Recommended Action

The Proposed Amendments are being circulated in advance because the City is unable to hold community meeting(s) under public health COVID-19 protocols. Londoner and City website notices are still being provided. Because of the importance of the amendments public input is desirable and necessary.

Analysis

1.0 Background

The Minister of Municipal Affairs and Housing introduced Bill 108, *More Homes, More Choice Act, 2019* on May 2, 2019. The Bill proposed a number of amendments to 13 different statutes including the *Planning Act*, the *Local Planning Appeal Tribunal Act* and the *Development Charges Act*. Bill 108 proposed to repeal many of the amendments that were introduced in 2017 through Bill 139, the *Building Better Communities and Conserving Watersheds Act, 2017*. A report on the implications of Bill 108 on the City was presented to PEC on May 27, 2019. Bill 108 was given Royal Assent on June 6, 2019.

One of the intentions of Bill 108 was to address the housing crisis in Ontario by minimizing regulations related to residential development through changes to various Acts dealing with the planning process, including reducing fees related to development, by reducing the number of services that may be subject to development charges and shortening the timelines for the approval of many planning applications. The Ministry

identified affordable housing as a “fundamental need” and additional residential units were identified as one of the least expensive ways to increase the supply of affordable housing while maintaining neighbourhood character.

One of the changes to the *Planning Act* made by Bill 108 was to permit up to two additional residential units on properties containing a single detached, semi-detached or row house residential dwelling. An additional residential unit is currently permitted (as a result of previous changes from Bill 138) in any single detached house, semi-detached house or row house **OR** in a building ancillary to any single detached house, semi-detached house or row house. Through changes made by Bill 108, an additional residential unit would be permitted in any single detached house, semi-detached house, or row house **AND** in an ancillary building. This would allow for a maximum of two additional residential units per property, for a total of three units on a property.

These changes to the *Planning Act* require that Municipal Official Plans and Zoning By-laws must contain provisions permitting additional residential units. This has the effect of potentially allowing a total of three dwelling units on the same property – subject to applicable provisions in the Ontario Fire Code, Building Code and municipal by-laws. Similar to the 2011 Bill 140 *Planning Act* amendments, there is no appeal related to Official Plan policies or zoning by-law regulations that authorize the use of additional residential units.

The City is required to comply with the changes made by Bill 108 to the *Planning Act* through Official Plan, Zoning By-law or other regulatory changes. However, the City may include policy direction to address a variety of planning compatibility and fit issues in existing neighbourhoods. Past reviews of intensification amendments such as the previous Bill 138 and Near-Campus Neighbourhood amendments resulted in widespread public interest. Public review of the proposed changes are necessary.

1.1 Provincial Rationale for Intensification

Residential Intensification; specifically, can take many forms;

- Redevelopment, including the redevelopment of brownfield sites;
- The development of vacant or underutilized lots within previously developed areas;
- Infill development;
- The conversion or expansion of existing industrial, commercial and institutional buildings for residential use; and,
- The conversion or expansion of existing residential buildings to create new residential units or accommodation, including accessory apartments, additional units and rooming houses.

Additional residential units are a version of the last form of intensification. This form can be either invisible (i.e. additional residential units in an existing dwelling) or visible (i.e. Addition of a new accessory structure, with an additional residential unit, at the rear of a property, addition of a parking space or entrance etc.).

The benefits of intensification include;

- Efficient use of resources (e.g. existing housing stock), infrastructure (e.g., sewers, water mains, hydro, roads etc.) and public service facilities (e.g. libraries, community centres);
- More sustainable and promotes energy efficiency;
- More efficient use of land to minimize “greenfield” development;
- Providing homeowners an opportunity to earn additional income to help meet the cost of home ownership;
- Supports public transit and active transportation modes by increasing densities;
- Supports demographic changes by encouraging “aging in place” and preferences for housing within developed urban areas

- Supporting changing demographics by providing more housing options for extended family or elderly parents, or for a live-in caregiver;
- Increase stock of rental units in an area;
- Provides a stock of affordable housing options;; and,
- Creating jobs in the construction/renovation industry.

1.2 Benefits of Additional Residential Units to the City of London

Additional residential units will help London achieve the following broad based planning objectives and scoped initiatives and meet Council's Strategic Plan.

Building Strong and Attractive Neighbourhoods

Current demographic trends in London indicate that the number of persons per dwelling is in decline. This is in part related to an aging population, smaller family sizes, and lower birth rates.

Household type	London, ON 2006	London, ON 2011	London, ON 2016
Population	352,395	366,151	383,822
Dwellings	145,525	153,630	175,558
Persons per dwelling	2.42	2.38	2.19

Source: Stats Can, 2006-2016

A 0.04 drop in persons per dwelling between 2006 and 2011 represents 1 additional dwelling per 100 people or 3,523 additional dwellings before accommodating new residents. Between 2006 and 2016 the persons per dwelling dropped .23. Further trends indicate that this change is largely related to an increase in single persons and single parent families and recent immigrants.

As part of London's Strengthening Neighbourhood Strategy Plan, providing for people and places is critical to the long term success of our neighbourhoods. Maintaining a critical mass of people in our neighbourhoods is a core component to maintaining the vibrancy and appeal of an area.

Additional residential units can help achieve vibrancy and appeal by:

- Providing a variety of housing choices;
- Offering the opportunity to age in place;
- Promoting community diversity through diverse housing opportunities;
- Offsetting housing expenses; and,
- Facilitating an economically diverse neighbourhood.

Building a More Compact City

Both a Provincial and Municipal goal, building a more compact city is a key strategy in promoting community sustainability and resiliency. Additional residential units are a form of housing that provides opportunities to increase density without creating significant changes to the appearance of neighbourhoods or creating negative impacts on existing infrastructure.

Additional residential units provide the opportunity for London to accommodate growth and protect current residents in a cost effective manner. Current Official Plan and London Plan policies encourage intensification in existing built-up areas.

In addition, the January 20, 2020 Affordable Housing CIP report also states;

On April 23, 2019, Council declared a Climate Emergency. The Affordable Housing CIP initiative supports the City's commitment to reducing and mitigating climate change by providing tools that will encourage residential intensification and residential growth at appropriate locations. It will support more intense and efficient use of existing urban

lands and infrastructure and the regeneration of existing neighbourhoods, and will align with transportation planning to support public transit and active transportation options.

Addressing the Need for Affordable Housing

The City of London is looking for opportunities to provide affordable housing. Additional residential units provide an affordable housing option to meet some of the demand by:

- Households facing financial challenges such as youth, older adults; new immigrants and single-parent families;
- First time home buyers with limited equity requiring assistance in carrying a mortgage to make home ownership viable;
- Fixed income homeowners needing additional support to assist with covering costs;
- Older adults or people with disabilities requiring assistance to remain in their homes and maintain a level of independence; and,
- Families wanting to provide housing for adult children or relatives.

Promoting the Age Friendly Plan

The City of London has established itself as a global leader in developing as an age friendly city. The City of London's Age Friendly Plan is based on the World Health Organization's initiative to improve the livelihood of people of all ages. By planning for older adults, a municipality provides benefits to all age groups. A demographic shift has been seen through the "Baby Boom" along with longer average life expectancies. Living longer and thriving cities are both positive trends that benefit everyone. Healthy, active older adults are a key resource depended on by families, by the economy and by communities. They provide care for children, parents, other family members and friends. Older adults as a group have significant spending power and make a dramatic impact on a local economy. Finally, seniors contribute an important degree of knowledge, experience and wisdom to the community.

Housing is identified as a key element in the continued goal of building an Age Friendly London. Success for an Age Friendly London includes developing policies, services, settings, and structures that:

1. Respond flexibly to aging-related needs and preferences; and
2. Respect their decisions and lifestyle choices.

1.3 Typical Concerns with adding more Residential Units in Existing Areas

Conversely, there are often concerns with introducing new development/people into an existing neighbourhood and increasing the number of people living and/or working in an established area. In the past the City has undertaken multiple reviews (see Appendices "C" and "D") as a result of a change in Provincial policies or in response to a local issue and there has been significant public interest in these reviews. These concerns can include more activity, noise, changes in aesthetics of a neighbourhood, more parking, garbage and refuse and inappropriate human behaviour as a result of increased density.

Despite the benefits identified above and the Provincial mandate to provide for additional residential units, there is the potential for impacts created by these uses within existing residential neighbourhoods. Bill 108 grants the municipality the ability to develop policies and regulations to mitigate potential impacts created by additional residential units

1.4 City's Desired Outcomes for Amendments

City staff are supportive of Official Plan policies and Zoning regulations that support additional residential units to;

1. Meet affordable housing needs;
2. Increase the number of legal units/registered units;
3. Provide safer accommodations for Londoners;
4. Intensify built-up areas ;
5. Provide Londoners with opportunities to age in place;
6. Enable supplemental income for home ownership viability;
7. Introduce efficient application time requirements;
8. Provide certainty around creating a new additional residential unit; and,
9. Provide a high standard of design and protection of neighbourhood character.

The proposed draft Official Plan London Plan and zoning by-law amendments will meet all of these desired outcomes, while addressing some of the concerns that may arise regarding neighbourhood fit and compatibility.

1.5 Additional Residential Unit Terminology

Currently there are some inconsistencies between Provincial and City of London dwelling terminology. Additional Residential units are defined as self-contained residential dwellings complete with separate kitchen and bathroom facilities located within, and ancillary to, an existing dwelling. The additional residential units may be located within an accessory/ancillary structure such as above a garage or in a separate “coach house”. Additional residential units are also subject to the Building Code, Fire Code and the City of London’s property standards by-law.

Additional residential units can also be referred to as secondary dwelling units, accessory dwelling units, secondary suites, accessory apartments, basement apartments or in-law flats. These terms are interchangeable. However, additional residential units do not include garden suites, lodging houses, or converted dwellings, which are separately defined by the City of London’s Zoning By-law.

Garden suites are temporary, self-contained dwelling structures. These units are normally mobile or pre-fab homes permitted in agriculturally designated areas through a site-specific temporary Zoning By-law on a site-specific basis. Lodging houses are residential buildings, which are used to provide rooms for rent to individuals with or without meals. Each unit shares common living space such as a kitchen, living room, bathroom, etc. The converted dwelling means an existing dwelling constructed as a single, semi-detached, duplex or triplex dwelling on an existing lot prior to July 1, 1993 in which the number of dwelling units has been increased without significant alteration to the exterior of the building except for non-leasable floor space such as fire escapes, stairwells and entrances.

There are other inconsistencies in Provincial and City terminology. These inconsistencies are discussed in Section 3.2 1).

2.0 Community Consultation to Date

On March 5, 2020 a Notice was placed in the Londoner and notices were sent to Other City Departments and Agencies on our Circulation List. Londoner notice was provided again on June 4, 2020. The notice read;

City-wide – Implementing Additional Residential Unit Requirements of the Planning Act The purpose and effect of these proposed Official Plan and Zoning Bylaw amendments is to implement recent changes to the *Planning Act* that require that the City amend its Official Plan and Zoning By-law to permit up to two additional dwelling units on a property containing a single detached, semi-detached or row house residential dwelling. Possible amendments to the Official Plan (The London Plan) to change Policy 939 to 942 and Policy 949 to change wording from “Secondary Dwelling Units” to “Additional Residential Units” and add/modify language to permit additional residential units in any single detached, semi-detached or row house residential building. Possible change to Zoning By-law Z.-1 to delete the definition of “Secondary Dwelling Unit” and replace with a new definition of “Additional Residential Unit” in

Section 2 (Definitions), make changes to Section 4.37 (General Provisions) to change references from secondary dwelling units to additional residential units and make changes to implement Provincial policies and/or regulations such as number of units permitted, number of bedrooms permitted and parking requirements. The City may also consider similar changes to the policies of the 1989 Official Plan.

A website address (under Business/Planning-Development/land-use-application/OZ-9176) at www.london.ca was also created for this project.

In response, to date, no comments have been received.

3.0 Policy Context for Proposed Amendments

The following policy framework guided the preparation and review of possible amendments;

3.1 Provincial Policy Statement (2020)

The Provincial Policy Statement provides the overriding policies for land use planning in Ontario. The 2020 Provincial Policy Statement (in force May 2, 2020) replaces the 2014 Provincial Policy Statement which came into effect April 30, 2014.

The PPS provides for and supports intensification under Part IV;

.....“*Planning authorities are encouraged to permit and facilitate a range of housing options, including new development as well as residential intensification, to respond to current and future needs.*”

Policies in Sections 1.1 (Managing and Directing Land Use to Achieve Efficient and Resilient Development and Land Use Patterns) and 1.4 (Housing) state that sufficient land needs to be available for a mix of affordable and market based residential uses, that development and land use patterns be efficient, and that settlement areas be the focus of future growth.

Section 6, Definitions, includes a definition of residential intensification and housing forms. It is important to note that the Province makes a distinction between rowhouse (similar to our street townhouse definition in Zoning By-law Z-1) and townhouse/stacked townhouse as different housing forms.

3.2 Planning Act

Consistent with the Provincial Policy Statement, the *Planning Act* guides planning in the Province of Ontario. Below are a summary of the relevant sections.

Subsection 2 j) of the *Planning Act* identifies “...*the full range of housing, including affordable housing...*” as a matter of Provincial interest.

Subsections 16.3 and 35.1 contain the additional residential unit regulations from Bill 108 – More Homes, More Choices Act given Royal Assent on June 16, 2019. They indicate Official Plans shall have policies allowing additional residential units and permit a maximum of one additional residential unit in a single detached, semi-detached or rowhouse primary dwelling and one additional residential unit in an accessory structure.

Regulation 299/19, which implements changes from Bill 108, was published August 29, 2019, to provide regulations to allow additional residential units in the Province. The changes included regulations to;

- Indicate that each unit shall have a parking space except where an approved zoning by-law amendment doesn't require parking;
- Indicate any additional required parking may be a tandem parking;
- Indicate the dwelling units on the property don't need to be owner-occupied; and,

- Indicate additional residential units can be located either in new or existing buildings.

Subsection 35.2 indicates that zoning by-laws cannot be enacting which regulate tenants on the basis of relationship.

3.3 The London Plan

Policy 937 and 939 provide a rationale for residential intensification and provide a current definition of secondary dwelling units; respectively. The rationale include aging in place, diversity of built form, affordability, vibrancy and effective use of land and indicate that any intensification needs to add value to neighbourhoods rather than undermine their quality, character and sustainability.

Policy 941 and 942 are the current Secondary dwelling unit policies and address such matters as location, number of units, licensing, size, exterior alterations, parking and requirements for Site Plan approval. These policies were based on changes made by Bill 139-*Building Better Communities and Conserving Watersheds Act* passed in 2017. On July 17, 2017 Council also approved further London Plan amendments which removed the restriction on secondary dwelling units in the Near Campus Neighbourhood.

The purpose of this review is to make amendments to the London Plan to be consistent with changes made by Bill 108 and the Council approved changes from July 24, 2019 including a change in terminology from “secondary dwelling unit” to “additional residential units” and allowing a maximum of two additional units on an existing property instead of one.

Policy 949 (Requirement for Site Plan Approval), 953 (Additional Urban Design Considerations for Residential Intensification) and 962-973 (Near Campus Neighbourhoods Policies) are also relevant to the consideration of London Plan amendments in this report because they guide any proposal to maintain neighbourhood character.

3.4 The 1989 Official Plan

Changes to the Plan are confined to Sections 3.2.1 ix) and 3.2.3.9, which were the result of an amendment on July 17, 2017 that implemented Bill 139 – *Building Better Communities and Conserving Watersheds Act Planning Act*. The changes to the 1989 Official Plan are consistent with previously approved London Plan changes. If the recommended London Plan amendment is approved and comes into force it will provide the in-force policy direction for the City. This amendment to the 1989 Official Plan is recommended only to provide consistent policies with the London Plan and avoid potential confusion until the 1989 Official Plan can be repealed.

4.0 Proposed Amendments

The attached Proposed Amendments were the result of a review of the revised Provincial Planning Act requirements (Bill 108 and Regulation 299/19), a review of the Ministers modifications to the London Plan dated December 28, 2016, a preliminary review of other municipal policies and regulations and comments from other City Departments and outside agencies.

4.1 Provincial Parameters for Proposed Amendments

The City has to comply with changes to the *Planning Act* through Bill 108. The key Provincial parameters for municipal amendments to implement the new legislation are;

1. A maximum one additional residential unit is permitted in the primary dwelling and a maximum of one additional residential unit is permitted in any accessory or ancillary building;

2. The primary dwelling does not have to be owner occupied;
3. Additional residential units can be permitted in existing or new buildings;
4. Each additional residential unit shall have one parking space except in circumstances where a Section 34 (Planning Act-zoning by-law amendment) has been approved whereby no parking is required for the primary dwelling or the additional residential units;
5. Tandem parking is permitted;
6. No references to the additional residential units being ancillary or sub-ordinate to the primary residential unit;
7. No bedroom limits in policies but may be in zoning; and;

4.2 Summary and Rationale – The Proposed Amendments

Below is a brief summary of the rationale for the Proposed Amendments included in Appendix “A”.

1. Definitions

There are a number of definition inconsistencies between Provincial Legislation (Bill 108/the *Planning Act*) and City of London policies and regulations which will need to be changed as a result of the Planning Act changes to provide consistency and ease of interpretation.

1.1 Secondary Dwelling Unit vs. Additional Residential Unit

The previous *Planning Act* legislation (Royal Assent-January 1, 2012) amended by Bill 140- *Strong Communities through Affordable Housing Act* used the term “secondary dwelling unit” because one additional unit was permitted either in the main dwelling or accessory building. Bill 108- *More Homes, More Choices Act* (Royal Assent – June 6, 2019) allows one “additional residential unit” in the main dwelling **and** one additional dwelling unit in an accessory or ancillary structure for a total of three possible units on a property. The term “secondary dwelling units” should be changed to reflect that more than one unit could be added. Additional residential units is also the term used in the Provincial legislation.

Proposed Amendment – All of the references to “secondary dwelling units” in the 1989 Official Plan, the London Plan and Zoning By-law Z-1 should be changed to “additional residential units” to be consistent with the current *Planning Act* legislation terminology.

1.2 Row house vs. Street townhouse

The 2020 Provincial Policy Statement and *Planning Act* use the term “row house” whereas the City’s Zoning By-law Z-1 uses the term “street townhouse”. By definition both are the same; more than three units attached horizontally, having legal frontage on a street on separate lots. Townhouses or cluster townhouses are different; having more than three or more units attached, tend to not have individual unit frontage on a street and are in a cluster format with units owned by individuals and common areas managed by a condominium corporation. Permitting two additional units in each existing cluster townhouse dwelling, plus allowing for accessory buildings, may be problematic given the typical size, and ownership, of the “lot”. As a result, to implement the Provincial requirement for additional residential units this amendment applies to what the zoning by-law describes as a “street townhouse” and not to other townhouse types.

Proposed Amendment – No change

1.3 Accessory vs. Ancillary

The Province only uses the term “ancillary” exclusively whereas the City uses the terms “accessory” and “ancillary” interchangeably. The City’s current definitions in Section 2

(Definitions) in Zoning By-law Z-1 lists the name as “Accessory or Ancillary” so no change is required.

Proposed Amendment – No change

1.4 Detached House vs Single Detached Dwelling, Semi-Detached House vs. Semi-Detached Dwelling

The terms using in the *Planning Act* and Zoning By-law Z-1; respectively, are different but they are close enough to not create interpretation issues. Some review by Zoning Division Staff should occur before amendment is finalized to determine whether further changes are required.

Proposed Amendment – No change.

1.5 Attached vs Detached

Zoning By-law Z-1 defines both but they are rarely used in the By-law or the London Plan. They are very descriptive terms used by a number of other Ontario municipalities (eg. Kitchener and Windsor) for clarity purposes to describe additions to buildings or accessory buildings; respectively. The City of London instead tends to use the terms “ancillary” and “subordinate” to the primary dwelling unit to describe additions or describe accessory buildings. The Ministers modifications to the Council approved June 23, 2016 London Plan policies deleted those terms from the proposed additional residential unit policies. Similar to the above recommended changes, there should be more consistency in language between the Provincial legislation and City of London policies and regulations.

Proposed Amendment – No specific changes required but will incorporate more use of the terms “attached” and “detached” as part of policy and zoning regulation revisions.

1.6 Definitions of Dwellings once Additional Residential Units are Added

Zoning By-law Z-1 “Dwelling” definitions are currently structured on the number of units included and whether the building is existing (built before July 1, 1993) or new (built after July 1, 1993). Currently, under Zoning By-law Z-1 if additional units are added, a single detached dwelling with an additional residential unit becomes a two unit converted dwelling if no habitable space is added and a duplex if habitable space is added. Similarly, if a semi-detached dwelling adds one or two units it could become a three or four unit converted dwelling or a triplex or fourplex under the definitions in Zoning By-law Z-1. The zoning regulations for each dwelling definition are quite different. To provide clarity and consistency for interpretations some interpretive guidelines need to be prepared for Zoning Division staff. These definitions should be reviewed by Zoning Division staff before amendments are finalized.

Proposed Amendment – No change to the definitions in Section 2 (Definitions) of Zoning By-law Z-1 but some consistency in zoning interpretation will be needed once additional residential unit amendments are in force.

2. Restriction of Additional Residential Units in Near Campus Neighbourhoods

The London Plan approved by Council on June 23, 2016 included Policy 942 (2) which did not allow secondary dwelling units in the Near Campus Neighbourhoods. Concerns were raised, public meetings and discussions held through the Near Campus Neighbourhood policy and regulation review, and on August 29, 2016 Council deleted that subsection of Policy 942, thereby deciding to permit secondary dwelling units within near campus neighbourhoods. Since the London Plan was in for Minister Approval at that time, the amendments were sent to the Minister for consideration as an amendment to the London Plan.

The Ministers Modifications to the London Plan in December 2016 made a series of changes. The Ministry did not, however, remove the restriction on secondary dwelling units within the Near Campus Neighbourhood Area even though Council earlier resolved to allow them in the Near Campus Neighbourhood Area. The Ministry indicated

they would have no concern if London City Council made an amendment to the London Plan policies to remove the restriction. The proposed amendment does that.

It is noteworthy that any such amendment to remove the restriction of additional residential units in the Near Campus Neighbourhoods from Policy 942 would not be subject to Provincial Review and would also not be appealable as per the *Planning Act*.

Proposed Amendment – That Policy 942_2 of the London Plan be deleted.

3. Parking

Zoning By-law Z-1 currently requires two parking spaces per unit for single detached, semi-detached and street townhouse dwellings. Regulation 299/19 of the *Planning Act* indicates that each additional residential unit requires one parking space unless a Zoning By-law is in force that does not require parking for any additional residential units. The current zoning regulations for secondary dwelling units do not require additional parking for secondary dwelling units.

Parking is often raised as a concern for intensification proposals. On-street parking, parking on lawns, creation of new paved areas etc. are some of the typical concerns (see Appendix “D”). Given that the new Provincial direction will permit up to two additional units, some review of the parking requirements may be needed. The *Planning Act* regulation allows up to one additional parking space per additional residential unit.

The current minimum parking requirement for a single detached, semi-detached, or street townhouse dwelling in the zoning by-law is two spaces per unit. Accommodating this parking plus a space for each additional residential unit, while still providing room for landscaped open space and sufficient amenity space may be problematic especially on smaller lots. It is also important to note that it is proposed that site plan approval not be required for additional residential units in the primary dwelling; site plan approval would only be required where the additional residential unit is in an accessory building.

Some surveyed Ontario Municipalities such as Windsor do not require additional residential unit parking within the older developed portions of the City. Toronto has reduced parking standards and Windsor doesn't require a parking space for the second additional residential unit. The surveyed municipalities all have various approaches to dealing with parking.

Maintaining the current regulation for secondary dwelling units would mean that there is no minimum parking requirement for additional residential units beyond the minimum standard for the primary unit. This approach allows the market to determine if parking is required but does not force parking spaces that may be unnecessary. This approach would be consistent with policy 271 of the London Plan that seek to avoid excessive parking standards.

Any additional residential units would be required to meet the zoning by-law regulations for maximum parking area coverage, which may lead to more minor variance applications, especially on smaller lots.

Proposed Amendment – No change to current requirement for secondary dwelling units, where no additional parking is required. The parking requirement for additional residential units will be included in the public consultation to ensure that all perspectives are considered.

4. Provision of new parking areas in Heritage Conservation Districts

Related to the above, the creation of new parking areas in designated Heritage Conservation Districts (HCDs) or on individually designated properties is a concern. The Province requires that any exterior changes to the primary dwelling unit must be consistent with the character of the dwelling and neighbourhood.

The London Advisory Committee on Heritage (LACH) has expressed a preliminary concern that the creation of new parking areas may impact the heritage character of the neighbourhood. The adding of new surface residential parking spaces to accommodate

additional residential units was never contemplated when the Conservation District Plans were being researched and prepared. Some evaluation needs to be done of how any new parking areas are to be evaluated. Do new guidelines or revised HCD guidelines need to be prepared, does review occur through the Heritage Alteration Permit process etc? This Proposed Amendment will be circulated to the LACH and the heritage community for comments before proceeding.

Proposed Amendment – No changes at this time, but further discussions with LACH and the heritage community are required. The recommended amendment will be provided at a future PEC meeting after the LACH and public has been consulted.

5. Numbers of Bedrooms Permitted

Currently in the Zoning By-law includes that dwelling units dwellings can have a maximum of 5 bedrooms per unit except in the Near Campus Neighbourhoods Area, where multiple unit dwellings such as semi-detached, duplex, triplex, fourplex, townhouse and apartment dwellings are permitted to only have three bedrooms per unit. The implementation of the previous Provincial secondary dwelling unit regulations didn't change those bedroom limit, and included that secondary dwelling units are subject to that overall cap, so the 5 bedroom maximum includes all bedrooms that are part of the primary and additional residential unit.

At this time it is proposed that the existing policy and limitation on the maximum number of bedrooms be applied to additional residential units. However, the three bedroom limit on semi-detached and townhouse dwellings in Near-Campus Neighbourhoods may limit the creation of two additional residential units on a lot... The maximum bedroom limit will be included in the public consultation to ensure that all perspectives are considered.

Proposed Amendment – No change to current requirement for secondary dwelling units, where additional residential units will contribute to the overall bedroom limit of the primary unit. The bedroom limit for additional residential units will be included in the public consultation to ensure that all perspectives are considered.

6. Height

For the primary dwelling the heights in their zoning by-law zone are used. For accessory or ancillary structures, in general, the allowed building heights are between 4 metres and 6 metres. Other municipalities surveyed have an additional regulation for accessory structures which doesn't allow a height which exceeds the primary dwelling height. Windsor allows a general height of 5.5 metres (18 feet) which can be increased to 8 metres (26,3 feet) by minor variance.

Proposed Amendment – No change to existing regulation, where secondary dwelling units within an accessory structures are subject to the standard zoning requirements for all accessory structures in the applicable zone. Building heights for ancillary or accessory building heights should be reviewed, including a new regulation which would not allow that height of an accessory structure to exceed the height of the primary dwelling.

7. Maximum Gross Floor Area for Additional Residential Units

Most other surveyed municipalities have a maximum gross floor area (GFA) of between 40-50% for additional residential units of the total GFA of the primary dwelling unit and additional residential units. The existing requirement in the Zoning By-law for secondary dwelling units is a maximum of 40% of the total combined floor area. The intent of this regulation is to ensure that the additional residential units do not exceed the size of the primary dwelling unit to control scale and maintain the primary and secondary nature of the two units.

Proposed Amendment – The gross floor area of the additional residential units shall not be greater than 45% of the combined total gross floor area of both the primary dwelling unit and the additional residential units.

8. Minimum Gross Floor Area for Additional Residential Units

Based on the other municipalities surveyed, there are a wide range of approaches to regulating minimum additional residential unit size. Some have minimums, some only maximums or both. Generally the minimum dwelling unit size is 40 m² (431 sq.ft) and the maximum is 100 m² (1076 sq.ft.). Some municipalities, such as Toronto, don't regulate dwelling unit size, instead relying on the *Ontario Building Code* minimum room sizes to control dwelling size. There is no combined minimum dwelling size in the *Ontario Building Code*.

Proposed Amendment – No change to the existing minimum floor area requirement of 25 m².

9. Other Changes in Heritage Conservation Districts

Similar to the parking area issue discussed in Section 4.2 above, the LACH has raised a concern about front and exterior side yard changes in HCD's and to individually designated properties and the addition of new or altered accessory structures.

The Heritage Alteration Permit process has been used to the past to address minor exterior changes but the addition of new entrances and units in new ancillary or accessory buildings are major changes. The Province has allowed front yard and/or exterior side yard alterations provided they maintain the "*character of the area*".

Proposed Amendment - No amendments at this time but may involve changes to the existing Heritage Conservation District (HCD) Plans, preparation or revision of guidelines and/or changes to the Heritage Permit process after discussions with LACH and the heritage community. A recommendation will be provided in the future PEC report after the LACH and public has been consulted.

10. Changes to other Municipal By-laws/Processes

There are a number of other City processes affected by the implementation of the Bill 108 amendments to the *Planning Act* for additional residential units. Official Plans and Zoning By-laws only provide the planning controls on development. These other processes include;

1. Site Plan Approval for Additional Residential Units in accessory or ancillary structures;
2. Building Permits for interior renovations and new construction; and,
3. Licensing under the *Residential Rental Unit Licensing By-law*.

All of these processes, and the regulations associated with them, need to be reviewed to identify any impacts and needed changes. Once the Proposed Amendments have been implemented the City will have established the policy basis for additional residential units and provide the foundation for these other impacted processes.

5.0 Conclusion

The report is intended to provide the necessary background regarding the Provincial policies and provide information to Council and the public on the nature of the changes as well as proposed Official Plan and Zoning By-law amendments to review in advance of the public participation meeting.

The proposed amendments are being circulated in advance because the City is unable to hold community meeting(s) under Provincial legislation COVID-19 protocols. Londoner and City website notices are still being provided. Because of the impact of the amendments public input is important and necessary.

Prepared by:	W.J. Charles Parker, MA Senior Planner – City Planning/Planning Policy
Submitted by:	Justin Adema, MCIP, RPP Manager, City Planning/Planning Policy
Recommended by:	Gregg Barrett, AICP Director, City Planning and City Planner
<p>Note: The opinions contained herein are offered by a person or persons qualified to provide expert opinion. Further detail with respect to qualifications can be obtained from Planning Services</p>	

July 3, 2020

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Appendix A – Proposed Amendments

PROPOSED AMENDMENT to the THE LONDON PLAN FOR THE CITY OF LONDON

A. PURPOSE OF THIS AMENDMENT

The purpose of this Amendment is to update “The London Plan” additional residential unit policies to conform with changes to the *Planning Act* made by the *More Homes, More Choices Act, 2019*.

B. LOCATION OF THIS AMENDMENT

This Amendment is a text amendment, which applies to all lands within the City of London.

C. BASIS OF THE AMENDMENT

1. The amendments are consistent with changes made to the *Planning Act* by the *More Homes, More Choices Act, 2019 (Bill 108)* with respect to additional residential units.
2. The amendments are consistent with the policies of the *Provincial Policy Statement, 2020*, and are consistent with the Neighbourhood Place Type policies of the London Plan.

D. THE AMENDMENT

The London Plan for the City of London is hereby amended as follows:

1. Policies 939, 941 and 949 and heading title is amended by deleting the “Secondary Dwelling Unit” reference and replacing it with “Additional Residential Unit”.
2. Policy 942 with regard to Secondary Dwelling Units is deleted in its entirety and replaced with the policy below;

942_ Additional Residential Units are permitted as-of-right within single detached dwellings, semi-detached dwellings or a street townhouse dwelling where all of the following criteria are met:

1. A maximum of two additional residential units are permitted, including a maximum of one additional unit in the main dwelling and a maximum of one additional unit in an accessory or ancillary structure;
2. Additional residential units must be located on the same lot as the primary dwelling unit;
3. Additional residential units shall be required to be licensed pursuant to the *Residential Rental Unit Licensing By-law*;
4. The gross floor area of the additional residential units shall not be greater than 45% of the combined total gross floor area of both the primary dwelling unit and the additional residential units;
5. Additional residential units shall comply with all regulations of the associated zone;

6. Exterior alterations to the primary dwelling unit to provide for additional residential units in the front or exterior side yards should maintain the character of the primary dwelling unit and the neighbourhood. To protect neighbourhood character, access to the additional residential units may be through existing entrances or new entrances located in rear or side yards.
7. Any zoning amendments or variances to provide for parking in excess of the minimum parking required for the primary dwelling unit, including any request for boulevard parking, front yard parking or changes to landscaped open space regulations to support parking for additional residential units, shall be discouraged. A new additional driveway is not permitted to provide for the additional residential units;
8. Minor variances to permit front yard parking shall not be supported where the proposed new development, expanded development, or modification to an existing development eliminates parking that is in a location that conforms to the Zoning By-law.
9. Additional residential units may be permitted within an accessory or ancillary structure that:
 - a. Is located on the same lot as the primary dwelling unit;
 - b. Is located in the rear yard; and,
 - c. Meets the requirements of the zone which apply to accessory or ancillary structures.
10. Additional residential units located within a primary dwelling unit shall not require Site Plan Approval. An additional residential unit within an accessory or ancillary structure shall require site plan approval; and,
11. An additional residential unit shall not be located within a basement within a dwelling located in a flood plain as regulated by the conservation authority having jurisdiction for that area;

PROPOSED AMENDMENT
to the
OFFICIAL PLAN FOR THE CITY OF LONDON

A. PURPOSE OF THIS AMENDMENT

The purpose of this Amendment is to update the City of London Official Plan additional residential unit policies to conform with changes to the *Planning Act* as made by *More Homes, More Choices Act, 2019*.

B. LOCATION OF THIS AMENDMENT

This Amendment is a text amendment, which applies to all lands within the City of London.

C. BASIS OF THE AMENDMENT

The amendments are consistent with changes made to the *Planning Act* under *More Homes, More Choices Act, 2019* with respect to additional residential units.

The amendments are consistent with the policies of the *Provincial Policy Statement, 2020*, and are consistent with the Low Density Residential designation in the 1989 Official Plan.

D. THE AMENDMENT

The Official Plan for the City of London is hereby amended as follows:

1. By deleting the existing subsection 3.2.1 ix) in its entirety and inserting the following policy as subsection 3.2.1 ix) of the Official Plan:

Additional Residential Units

A single detached dwelling, semi-detached dwelling or a street townhouse dwelling may be permitted to contain an additional residential unit in the main building and an additional residential unit in an accessory or ancillary building in accordance with policy 3.2.3.9 Additional Residential Units of this Plan.

2. By deleting the existing subsection 3.2.3.9 in its entirety and inserting the following policy as subsection 3.2.3.9 of the Official Plan:

Additional Residential Units

Additional residential units are permitted as-of-right within single detached dwellings, semi-detached dwellings or street townhouse dwellings where all of the following criteria are met:

1. A maximum of two additional residential units are permitted, including a maximum of one additional unit in the main dwelling and a maximum of one additional unit in an accessory or ancillary structure;
2. Additional residential units must be located on the same lot as the primary dwelling unit;
3. Additional residential units shall be required to be licensed pursuant to the *Residential Rental Unit Licensing By-law*;
4. The gross floor area of the additional residential units shall not be greater than 45% of the combined total gross floor area of

- both the primary residential dwelling unit and the additional residential units;
5. Additional residential units shall comply with all regulations of the associated zone.
 6. Exterior alterations to the primary dwelling unit and/or construction of an accessory or ancillary building to accommodate an additional residential unit should maintain the character of the primary dwelling unit and the neighbourhood. To also protect neighbourhood character access to additional residential units may be through existing entrances or new entrances located in rear or side yards;
 7. Any zoning amendments or variances to provide for parking in excess of the minimum parking required for the primary dwelling unit, including any request for boulevard parking, front yard parking or changes to landscaped open space regulations to support parking for an additional residential unit, shall be discouraged. A new additional driveway is not permitted to provide for the additional residential unit;
 8. Minor variances to permit front yard parking shall not be supported where the proposed new development, expanded development, or modification to an existing development eliminates parking that is in a location that conforms to the Zoning By-law.
 9. An additional residential unit may be permitted within an accessory or ancillary structure that:
 - a. is located on the same lot as the primary dwelling unit;
 - b. is located in the rear yard; and,
 - c. meets the requirements of the zone which apply to accessory or ancillary structures.
 10. Additional residential units located within a primary dwelling unit shall not require Site Plan Approval. Additional residential units within an accessory or ancillary structure shall require Site Plan Approval.
 11. An additional residential unit shall not be located within a basement within a dwelling located in a flood plain as regulated by the Conservation Authority having jurisdiction for that area;

**PROPOSED AMENDMENT
to the
CITY OF LONDON ZONING BY-LAW NO. Z.-1**

Bill No. (number to be inserted by Clerk's Office)
2020

By-law No. Z.-1-18_____

A by-law to amend By-law No. Z.-1 to change the existing secondary dwelling unit regulations to delete and add new regulations for additional residential units.

WHEREAS the Corporation of the City of London has initiated a rezoning City-wide to revise the existing secondary dwelling unit regulations and introduce new additional residential unit regulations, as set out below;

AND WHEREAS upon approval of Official Plan Amendment Numbers (number to be inserted by Clerk's Office) this rezoning will conform to the Official Plan;

THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

- 1) Section 2 (Definitions) in Zoning By-law Z-1, as amended, is amended by deleting the definition for "Secondary Dwelling Unit" and adding the following definition for "Additional Residential Unit";

"ADDITIONAL RESIDENTIAL UNIT" means a dwelling unit in addition to the primary dwelling unit, in which food preparation, eating, living, sleeping and sanitary facilities are provided for the exclusive use of the occupants thereof.

- 2) Section 4.1 (Accessory Uses) in Zoning By-law Z-1 is amended by deleting the existing Section and replacing it with the following;

1) ACCESSORY USES PERMITTED IN ALL ZONES

Where this By-Law permits a lot to be used or a building or structure to be erected or used for a purpose, that purpose shall include any building, structure or use accessory thereto, except that no home occupation or open storage shall be permitted in any zone other than a zone in which such a use is specifically listed as a permitted use. No accessory building, structure or use in an agricultural zone shall be used for human habitation, except where a dwelling unit is permitted as an accessory use or where the zone permits a bed and breakfast establishment, secondary farm dwelling, temporary garden suite or hotel.

- 3) Section 4.37 (Secondary Dwelling Units) is amended by deleting the existing clause and replacing it with the following;

ADDITIONAL RESIDENTIAL UNITS

The provisions of this section shall apply to all additional residential units, unless specified by type directly herein.

- 1) Permitted Zones

Additional residential units shall be permitted within any zone in association with the following uses:

- a) Single detached dwellings;
- b) Semi-detached dwellings; and,
- c) Street townhouse.

Single detached dwellings, semi-detached dwellings or street townhouse dwellings containing additional residential units on the date of the passing of this by-law, may continue to be used for that purpose if a building permit has been issued under sections 8 or 10 of the *Building Code Act, 1992, S.O. 1992, c.23* permitting the erection, alteration, occupancy or use for the additional residential unit, and if the additional residential unit complies with the regulations of the *Fire Protection and Prevention Act, 1997, S.O. 1997, c.4.*

2) Number of Additional Residential Units per Lot

A maximum of two (2) additional residential units shall be permitted per lot; including a maximum of one additional residential unit in the main dwelling and a maximum of one additional residential unit in an accessory or ancillary structure.

3) Location of Additional Residential Units

An additional residential unit shall not be permitted on a separate lot from the primary dwelling unit that it is accessory to.

An additional residential unit or part thereof shall not be permitted in a basement where the finished floor level of such basement is below the level of any sanitary sewer servicing the building or structure in which such basement is located.

An additional residential unit or part thereof shall not be permitted in a basement located in a flood plain as regulated by the Conservation Authority having jurisdiction for that area.

4) Location of Additional Residential Units within Accessory or Ancillary Structures

An additional residential unit in an accessory or ancillary structure shall be required to meet the regulations of the zone which apply to accessory structures.

An additional residential unit within an accessory structure may be permitted in the rear yard or interior side yard. Exterior alterations to accessory structures to permit additional residential units may be permitted subject to the same criteria.

5) Floor Area Requirements

No additional residential unit shall be erected or used unless it has a minimum gross floor area of 25 square metres.

The gross floor area of all additional residential unit (s) on a lot shall not be greater than 45% of the combined total gross floor area of the primary dwelling unit and the additional residential unit(s). For the purposes of calculating gross floor area requirements for additional residential units the following shall not be included:

- a) additions to dwelling units completed after the date of passage of this by-law; and,
- b) the gross floor area of accessory structures.

6) Number of Bedrooms

The additional residential unit(s) and primary dwelling unit together shall not exceed the total number of bedrooms permitted for the primary dwelling unit when the total number of bedrooms in the primary and additional residential unit(s) are combined.

7) Access to Additional Residential Units

Exterior alterations to provide for entrances to the additional residential unit within all yards of the primary dwelling unit may be permitted.

A new additional driveway in association with a secondary dwelling unit is not permitted.

8) Parking

No additional parking spaces shall be required for any additional residential unit(s)..

10) Code Requirements

Additional Residential Units shall be required to conform to all *Ontario Building Code* and *Ontario Fire Code* regulations.

The inclusion in this By-law of imperial measure along with metric measure is for the purpose of convenience only and the metric measure governs in case of any discrepancy between the two measures.

This By-law shall come into force and be deemed to come into force in accordance with Section 34 of the *Planning Act, R.S.O. 1990, c. P13*, either upon the date of the passage of this by-law or as otherwise provided by the said section.

PASSED in Open Council on (Insert Council Meeting Date).

Ed Holder
Mayor

Catharine Saunders
City Clerk

First Reading – (Insert Council Meeting Date)
Second Reading – (Insert Council Meeting Date)
Third Reading – (Insert Council Meeting Date)

Appendix B – Chronology

Previous Reports to Planning and Environment Committee (PEC) and Timeline

May 1, 2020	New 2020 Provincial Policy Statement in Effect
August 29, 2019	Regulation 299/19 to implement Bill 108 published
June 6, 2019	Bill 108 – More Homes, More Choices Act given Royal Assent
May 27, 2019	PEC Report – Bill 108-More Homes, More Choices Act Report
July 17, 2017	PEC Report – City-wide Official Plan and Zoning By-law Amendments – Secondary Dwelling Units (OZ-8053)
April 24, 2017	PEC Report – New Low Rise Development in Existing Neighbourhoods (Z-8701)
February 6, 2017	PEC Report- Minister’s Modification to the London Plan – Secondary Dwelling Units (O-7938)
2017	Bill 139 – Building Better Communities and Conserving Watersheds Act introduced
January 23, 2017	PEC Report – Information Report on Ministers Modifications to London Plan
December 28, 2016	Ministry of Municipal Affairs London Plan Notice of Decision
August 22, 2016	PEC Report - City wide Official Plan and Zoning By-law Amendments – Secondary Dwelling Units (OZ-8053)
July 18, 2016	PEC Report - Great Near-Campus Neighbourhoods Strategy Review completed
June 23, 2016	Council approves The London Plan
December 14, 2015	PEC Report – Residential Infill Analysis (Z-8701)
November 26, 2015	PEC Report - Secondary Dwelling Units (OZ-8053)
February 2, 2015	PEC Report – North London Housing Concerns
April 30, 2014	2014 Provincial Policy Statement in effect
November 26, 2013	PEC Report - City Wide Official Plan and Zoning By-Law Amendments – Secondary Dwelling Units (OZ-8053)
August 20, 2013	PEC Report - Secondary Dwelling Units (OZ-8053)
April 9, 2013	PEC Report - Secondary Dwelling Units (OZ-8053)
November 26, 2012	PEC Report – Residential Intensification Policies (OPA No. 544) (O-7970/City of London)
June 18, 2012	PEC Report - Secondary Dwelling Unit Policies and Provisions PEC Report – Near-Campus Neighbourhoods Planning Amendments (OZ-7663/City of London – OPA No. 535)
January 1, 2012	Bill 140 – Strong Communities through Affordable Housing Act introduced – introduced concept of secondary dwelling units
August 30, 2011	Council adopts Residential Rental Units Licensing By-law
September 28, 2009	PC Report – Official Plan Amendment No. 438 (Addition of Residential Intensification Policies to Official Plan)
November 17, 2008	PC Report – Great Near-Campus Neighbourhoods Strategy and Implementation Plan

February 25, 2008	PC Report – Public Participation Meeting on OPA No 438 Residential Intensification Policies
May 28, 2007	PC Report – Information Report – Residential Intensification and Infill Housing Background Study
2007	PC Report - Closing the Gap: New Partnerships for Great Neighbourhoods Surrounding our University and Colleges
2004	PC Report - 5 Bedroom Limit By-law (Z-1-041300)
2004	PC Report – North London Residential Study and Amendments to the Official Plan and Zoning By-law
2004	PC Report - Updated St. George Grosvenor Neighbourhood Study
2001	PC Report - Richmond Street/University Gates Corridor Review-Report and Official Plan Amendment
April 9, 1996	PC Report - Intensification and Bill 120 – Impacts on the North London and Broughdale Communities – Expanded Area (OZ-5148)
November 16, 1995	Section 76(1) of the <i>Planning Act</i> “grandfathered” previously approved two units in a detached house, semi-detached house or row house.(Regulation 384/94)
1995	PC Report – Intensification and Bill 120 – Impact on the North London and Broughdale Communities
1995	Bill 120- Apartments in Houses
January 14, 1991	PC Report – Infill Housing Policies of the New Official Plan (1989)
June 19, 1989	Council adopts the 1989 Official Plan
1988	PC Report - Task Force on Student Housing
1985	Planning Committee (PC) Report - St. George Grosvenor Neighbourhood Study and Official Plan Amendment

Appendix C – London’s History of Addressing Provincial Intensification Policies and Neighbourhood Issues

Prior to the approval of Bill 108 there were a number of Provincial housing initiatives which were implemented by the City through Official Plan, Zoning By-law or other regulatory changes. There were also a number of policy and regulation reviews initiated by the City in response to neighbourhood concerns. Below is a summary of the results of some of the reviews and the progression of changes in Official Plan policies and/or zoning regulations over time. A timeline has been provided in Appendix “C” to provide clarity.

January 1, 2012 - The Province introduced Bill 140, *Strong Communities through Affordable Housing Act 2011*, an amendment to the *Planning Act*, which introduced the term, and policies, for the first time, secondary dwelling units to the City of London.

The Province defined secondary dwelling units as: “*self-contained residential units with kitchen and bathroom facilities within dwellings or within structures accessory to dwellings (such as above laneway garages).*” Secondary dwelling units were often referred to as secondary suites, granny flats, basement apartments, or accessory dwelling units.

The Provincial rationale for permitting secondary dwelling units was to provide residential intensification through “invisible density,” and considered them as a means of providing affordable housing, both through affordable home ownership by providing owners an opportunity to generate income to support the cost of home ownership, and as affordable rental accommodation. The intent was that this form of residential intensification would minimize land use impacts and retain neighbourhood character.

These amendments required municipalities to update their Official Plan policies and regulations related to secondary dwelling units.

November 12, 2013 - An Official Plan and Zoning By-law amendment was presented for consideration by City Council that would have permitted secondary dwelling units in the City of London. The proposed policies included provisions that required the primary unit to be owner-occupied and limited secondary dwelling units to areas outside of Near-Campus Neighbourhoods. This report noted concerns raised by individuals on the London Housing Advisory Committee (the comments were not the official position of the committee as the committee did not meet quorum during the review) and Neighbourhood Legal Services (London & Middlesex). The concerns related to the exclusion of secondary dwelling units from the Near Campus Neighbourhoods, the imposition of fees through licensing, and opportunities for incentives to promote the establishment of secondary dwelling units, specifically tied to affordable housing.

November 26, 2015 – An Official Plan and Zoning By-law amendment, similar to the amendments proposed in 2013, were considered. The proposed policies still included provisions that required the primary unit to be owner-occupied and limited secondary dwelling units to areas outside Near-Campus Neighbourhoods.

There was again concern expressed regarding the geographic restriction on secondary dwelling units within the Near-Campus Neighbourhoods. At the same time, there was a on-going City review of the Near-Campus Neighbourhoods Strategy and policies being undertaken, and the draft secondary dwelling unit policies were referred back to be considered as part of that review.

June 23, 2016 – The London Plan was adopted by City Council. It included policies for Secondary Dwelling Units that would not permit secondary dwelling units in Near-Campus Neighbourhoods, required the primary unit to be owner-occupied, required one additional parking space for the secondary dwelling unit, and limited the number of bedrooms in the secondary dwelling unit. These same policies were adopted by Council for the 1989 Official Plan.

July 18, 2016 – The Near-Campus Neighbourhoods Strategy review was completed and a report was presented to the Planning and Environment Committee. The staff recommendation, which was based on extensive community and stakeholder consultation, recommended that secondary dwelling units should be permitted within Near-Campus Neighbourhoods. This conclusion was based in part on the understanding by residents of Near-Campus Neighbourhoods that the primary unit would be required to be owner-occupied. City Council directed Civic Administration to prepare revised policies that permit secondary dwelling units in Near-Campus Neighbourhoods.

August 22, 2016 – Revised policies for secondary dwelling units were approved by City Council. These policies adopted the recommendations made through the Near-Campus Neighbourhood Strategy review. These policies made several changes to the policies adopted by Municipal Council contained in *The London Plan* submitted to the Minister in June, 2016. These changes were endorsed by Council, and forwarded to the Ministry of Municipal Affairs for consideration as *The London Plan* had been adopted by Council and was at the Ministry for approval.

These revised policies permitted secondary dwelling units in single detached, semi-detached and street townhouse dwellings. These policies included provisions that would only permit secondary dwelling units within owner-occupied dwellings, would permit secondary dwelling units in Near Campus Neighbourhoods, and would limit the number of bedrooms in a secondary dwelling unit to one bedroom.

December 28, 2016 – The Minister approved *The London Plan* with modifications. The modifications included a combination of the policies as adopted by Council in June, 2016 and the amended policies endorsed by Council in August, 2016.

The Minister made 29 modifications to the Plan as adopted by City Council on June 23, 2016. One of the modifications was to Policy 942, which relates to secondary dwelling units.

As a result of these modifications, staff met with Ministry Staff to clarify the rationale behind these changes. The Ministry noted the following:

- Ministry staff had two primary goals in their review of *The London Plan* policies:
 1. Respect the decisions of London City Council in their consideration of secondary dwelling units; and,
 2. Consistent with the Minister's direction noted above, ensure permissive Official Plan policies that would avoid onerous conditions and restrictions on the development of secondary dwelling units.
- The Ministry used the Council-adopted June, 2016 policies included in *The London Plan* as the basis for their approval.
- The Ministry also reviewed the revised policies sent by Council in August of 2016, and integrated some of these policies into their modification of the June 2016 policies.
- In doing so, the Ministry made the following changes to the June 2016 policies (Policy 942) that removed restrictions for secondary dwelling units:
 - Removed reference to the secondary dwelling unit being clearly ancillary and subordinate to the primary residential unit;
 - Removed policies that place bedroom limitations on the secondary dwelling unit and the total number of bedrooms for the secondary and primary dwelling unit (Ministry Staff had indicated that the regulations of the applicable zone can address the issue of total number of bedroom units);
 - Removed the requirement that the primary unit be owner occupied;
 - Removed the prohibition of exterior alterations in the front or exterior side yards and replaced it with language that ensures such alterations should maintain the character of the primary dwelling unit and protect neighbourhood character;
 - Removed the requirement for a parking space to accommodate a

- secondary dwelling unit; and,
- Other minor changes of a more technical nature.

The June 23, 2016 London Plan secondary dwelling unit policies (Policy 942) included a provision that did not permit secondary dwelling units within the Near-Campus Neighbourhood Area. The Ministry did not remove this provision, even though the amended policies adopted by Council in their August 2016 policy revisions had removed this provision. Ministry Staff indicated that they believed that this was reasonable, recognizing the modifications made to the secondary dwelling unit policies eliminated several other restrictions from the June 2016 policies. Ministry Staff did indicate that the Ministry would have no concerns with any future amendment if Council wished to remove this restriction relating to secondary dwelling units in the Near-Campus Neighbourhood.

As a result of modifications made to the London Plan policies by the Minister in the approval of *The London Plan*, the policies of the current 1989 Official Plan were not consistent with the policies as modified by the Minister in *The London Plan*.

January 23, 2017 and February 6, 2017 – Reports were submitted to Planning and Environment Committee outlining changes to the London Plan in the Ministers modifications. Policies were revised to remove the requirement that the primary unit would have to be owner occupied, that one parking space would have to be included and that the requirement that the secondary unit would be limited to one bedroom only would be removed.

February 14, 2017 – Council requested that civic administration report back at a future meeting with respect to the policy regulating Secondary Dwelling Units. On February 14, 2017, Municipal Council resolved that:

That the following actions be taken with respect to the Minister's modifications to the London Plan as they relate to secondary dwelling units and specifically Policy 942:

a) *the report of the Managing Director, Planning and City Planner, dated February 6, 2017 and entitled "Minister's Modifications to the London Plan Secondary Dwelling Units", BE RECEIVED; and,*

b) *the Civic Administration BE DIRECTED to make the necessary arrangements to hold a Public Participation Meeting before the Planning and Environment Committee to receive input from the public with respect to the Minister's modifications to the London Plan regarding secondary dwelling units;*

it being noted that the Planning and Environment Committee received a delegation and the ~~attached~~ communication from Mr. J. Schlemmer, Neighbourhood Legal Services with respect to this matter. (2017-D09)

In **2017** the Province introduced Bill 139 (*Building Better Communities and Conserving Watersheds Act*) which did not make any further changes to secondary dwelling unit policies in the *Planning Act*.-

July 17, 2017 – Official Plan amendments to the 1989 Official Plan, similar to the London Plan, and Zoning By-law amendments for secondary dwelling units were introduced in a report to Planning and Environment Committee. Zoning By-law regulations, similar to those introduced in 2013 and 2015, were included which addressed location, scale and the use of accessory structures.

Official Plan amendments to the 1989 Plan, similar to the London Plan, included policies relating to;

1. Permitting only one secondary unit either in the primary dwelling or accessory/ancillary building;
2. Not restricting them from the Near Campus Neighbourhood;

3. Licensing of the secondary units;
4. Gross floor area limits on the secondary dwelling unit;
5. Need to comply with existing zoning by-law regulations;
6. Exterior and interior yard restrictions;
7. No zoning by-law amendments or variances to permit parking;
8. Allow location of secondary unit in accessory building and require site plan approval; and,
9. Restrict secondary dwelling units in basements in the floodplain.

The implementing Zoning By-law regulations included;

1. A new definition for secondary dwelling units;
2. Permitting them in single detached, semi-detached and street townhouse dwellings;
3. Permitting one secondary dwelling unit per lot;
4. Not allowing them in basements;
5. Not allowing them in basements in the floodplain;
6. Allowing them in the Near Campus Neighbourhoods;
7. Only permitting accessory structures in rear yard and interior side yards;
8. A minimum gross floor area regulation of 25m²;
9. A maximum gross floor area cap of 40% of the primary dwelling unit;
10. Maximum number of bedrooms allowed;
11. Access restrictions in interior and rear yard;
12. No new driveways; and,
13. Conformity of secondary dwelling units to the Ontario Building Code.

These amendments were approved by Council on July 25, 2017 and are in place now.

June 6, 2019 – Bill 108 – *More Homes, More Choices Act, 2019* was given Royal Assent. Bill 108 changed the terminology from secondary dwelling units to additional residential units, allowed up to an additional two units and made a number of other changes to the *Planning Act* which need to be implemented through The London Plan and Zoning By-law Z-1.

This progression of changes has resulted in more as-of-right density increases in existing neighbourhoods subject to some policies and regulations to limit neighbourhood impacts.

Appendix D – Examples of Neighbourhood Concerns Raised through Previous City Reviews

The following are common public concerns identified from past reviews related to the presence of additional residential units.

Parking

Residential uses are regulated through the Zoning By-law Z.-1 parking regulations. Additional residential units may create the need to provide additional on-site parking which reduces landscaped open space and may reduce neighbourhood aesthetics. If the site cannot accommodate the necessary parking, on-street parking associated with second and third units becomes a concern. Striking a balance between providing enough on-site parking to protect against spill over onto the street and maintaining the residential character is critical.

Neighbourhood Appearance

Exterior alterations to dwellings are commonly associated with changing neighbourhood character. Additional residential units may be most accepted when they do no impact a neighbourhoods look and feel. The City of London's existing policies require that the neighbourhood character be maintained through creating no visible changes when establishing new units. This is especially important in designated Heritage Conservation Districts. The Provincial requirement that any exterior alterations address the character of the neighbourhood may address the issue.

Property Maintenance

Properties that fall into disrepair and/or where garbage is not properly stored can negatively impact the aesthetics and quality of the neighbourhood. A common belief is that dwellings with additional units are not kept up in good repair, particularly in the case where they are owned by absentee landlords. These issues are handled through the property standards by-law, and rely on active enforcement. Property standards can further be implemented through licensing requirements.

Noise

Additional residential units are often associated as sources of noise, based on the tenancy. However, complaints with respect to residential neighbour behaviours may either fall under civil disturbances or through the City's Noise by-law and enforcement department.

There are enforcement tools in place to address noise concerns, unfortunately, the issue of noisy residents is one related to individual behaviours and is not regulated through planning tools. Federal and Provincial policies don't allow municipalities to regulate the demographic of prospective tenants. Specifically, Section 35 (2) of the *Planning Act* states;

"The authority to pass a by-law under section 34, subsection 38(1) or section 41 does not include the authority to pass a by-law that has the effect of distinguishing between persons who are related and persons who are unrelated in respect of the occupancy or use of a building or structure or a part of a building or structure, including the occupancy or use as a single housekeeping unit."

Property Values

Policy and regulations are not linked to property values and taxation from an administrative perspective, however, the permission of additional residential units may create a perceived impact on property values to existing and potential residents. The City is unaware of any causal relationship between increased density and declining property values.

Complaints from residents about reduced property values are the result of a view that potential home buyers will consider the form of housing and the number of persons who may be located adjacent to them and potential noise concerns when considering purchasing a dwelling. The municipality is limited to land use planning and cannot control who occupies a dwelling unit.

Property values are market driven and rely on a number of criteria that are outside of the control of planning. On site, the additional residential units may also raise the value of the property.

Safety

Providing safe housing options is a concern of the City of London and the public. Health and safety is intended to be handled using the *Ontario Building Code* and *Ontario Fire Code* and additional residential units that are to be established will be required to meet these codes. Continued compliance is expected to be achieved through the residential license renewal and the building permit processes.

Providing Services and Infrastructure

There is very little research around the impact on services created by occupants living in additional residential units, and hence the cost to support the additional density.

CMHC has undertaken studies on additional units. They have found that the addition of a second unit does not double the amount of municipal services generated by household, noting a service level increase of roughly 35-65% more than a dwelling without an additional residential unit. Further, individuals living in additional residential units would be looking for access to public transit, schools and parks. No study has been completed showing the impact of two additional residential units.

This increase creates less of a demand on existing infrastructure, and provides support for public transit. Additionally, additional residential units are typically located where existing services are in place. Additional residential units do not require the additional costs associated with extending services to new subdivisions.

Other reviews conclude that additional residential units can serve to offset population declines in some areas, and sustain neighbourhoods where the average persons per dwelling have been decreasing. As a result, the cost of infrastructure is maintaining an efficient and effective level of service for the designed and targeted population.

Occupants of Additional Residential Units

CMHC research indicates several presumptions towards occupants of additional residential units, which creates community concerns. These include ideas regarding household size, the “fit” of new residents in the community or that neighbourhood safety will be a greater issue as additional residential units are established. However, it has been found that additional residential unit occupants:

1. More than 50% of the units were occupied by one person; and,
2. Approximately 50% of the occupants were a relative or close friend of the unit owner.

By contrast, the reason owners would seek out to provide an additional residential unit varied. While primarily identified as a source of financial assistance income, other concerns relate to avoid living alone, provide a home for relatives in need of assistance (physical or financial) and as a place for a friend or relative to stay in order to provide assistance (maintenance, health care).

All of the above concerns are normally raised if change is anticipated within a neighbourhood. Any recommended London Plan amendments, Zoning By-law amendments and changes to other municipal by-laws and processes should consider them.

Overall, any policy and regulation changes should address these benefits and concerns and try to achieve a balance. As indicated above, the City is mandated to implement these Provincial changes; however, there is some latitude provided to introduce policies and/or regulations to address any concerns.

Appendix E – Other Documents Reviewed

Provincial Policy Statement (2020) (In force May 1, 2020)

The *Planning Act* (consolidated to April 2020)

Bill 108 – *More Homes, More Choices Act* (Royal Assent - June 16, 2019)

Regulation 299/19 (Published August 29, 2019)

Bill 139 – *More Homes, More Choice: Ontario's Housing Supply Action Plan* (Royal Assent – December 12, 2017)

Adding a Second Unit in an Existing House-Ontario Building Code Information (Ontario Government)

Build or Buy a Tiny Home (Ontario Government)

London Plan (Council approved June 23, 2016, Ministry approved December 28, 2016 and consolidated to date)

1989 London Official Plan (Council approved June 19, 1989 and consolidated to date)

Zoning By-law Z-1 (Council approved July 1, 1993 and consolidated to date)