

TO:	CHAIR AND MEMBERS - PLANNING & ENVIRONMENT COMMITTEE
FROM:	JOHN M. FLEMING MANAGING DIRECTOR, PLANNING AND CITY PLANNER
SUBJECT:	CITY OF LONDON CITY WIDE OFFICIAL PLAN AND ZONING BY-LAW AMENDMENTS - SECONDARY DWELLING UNITS MEETING ON AUGUST 20, 2013

RECOMMENDATION

That, on the recommendation of the Managing Director, Planning and City Planner, with respect to the application of the City of London relating to an Official Plan Amendment to amend existing policies related to secondary dwelling units and for a Zoning By-law Amendment to introduce regulations related to secondary dwelling units, the following actions **BE TAKEN**:

1. the attached report **BE RECEIVED** for information; and
2. the proposed Official Plan Amendment and Zoning By-law Amendment **BE INTRODUCED** at a future public participation meeting before the Planning and Environment Committee to be scheduled for September 24, 2013.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Secondary Dwelling Unit Policies and Provisions – PEC June 18, 2012
Secondary Dwelling Units - PEC April 9, 2013

SUMMARY OF REPORT

Changes to the *Planning Act* require municipalities to update their Official Plan policies and regulations regarding secondary dwelling units. Prior to these changes the City of London Official Plan introduced policies that would permit secondary dwelling units within single and semi-detached dwellings subject to conditions. Since the changes to the *Planning Act*, the Official Plan policies must also include provision for secondary dwelling units as-of-right within townhouse and accessory structures as well as in single and semi-detached dwellings.

Secondary dwelling units provide a form of residential intensification through “invisible density”. Given that they are wholly self-contained units fully contained within existing buildings or integrated into planned developments and are not intended to be identifiable from the street. Protecting the character of neighbourhoods is key, as secondary units are expected to provide a benefit to home ownership without creating land use impacts to the area. This type of intensification is intended to provide opportunities for affordable housing and to maintain quality of life for both homeowners as well as the neighbourhood.

Staff recommends revised policies and regulations related to secondary dwelling units to comply with legislative changes and in order to minimize barriers of establishing secondary dwelling units. Policies and regulations are also proposed to ensure that secondary dwelling units are established in a manner that provides safety without undermining the character of the areas in which they are located.

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BACKGROUND

Provincial Legislation

The Provincial government adopted legislation under Bill 140 *Strong Communities through Affordable Housing Act* requiring municipalities to develop or enhance policies in their Official Plans to provide for secondary dwelling units. The changes are intended to improve access to adequate, suitable and affordable housing, and provide a solid foundation to secure employment, raise families and build strong communities. The Official Plan must allow for secondary dwelling units within single detached, semi-detached, and townhouse dwellings as well as in ancillary structures such as a detached garage. Additionally, the municipality may regulate criteria related to location, form, and intensity.

Changes to the *Planning Act*

The modifications made by Bill 140 to the *Planning Act* came into effect on January 1, 2012 and includes the following addition to Section 16 of the *Act*:

- “(3) Without limiting what an official plan is required to or may contain under subsection (1) or (2), an official plan shall contain policies that authorize the use of a second residential unit by authorizing,
- (a) the use of two residential units in a detached house, semi-detached house or rowhouse if no building or structure ancillary to the detached house, semi-detached house or rowhouse contains a residential unit; and
- (b) the use of a residential unit in a building or structure ancillary to a detached house, semi-detached house or rowhouse if the detached house, semi-detached house or rowhouse contains a single residential unit.”

Municipalities must update existing secondary dwelling unit policies to comply with the *Planning Act*.

Further changes to the *Planning Act* set out how to implement Section 16. The Official Plan and Zoning By-law may set standards and regulations to determine where and how secondary dwelling units may be established. Bill 140 also restricts appeal rights, whereby secondary dwelling units policies and regulations established by the City may not be appealed to the Ontario Municipal Board; and whereby a decision to permit secondary dwelling units in accordance with policies and provisions set by the City are also exempt from appeals. The removal of appeal rights provides greater certainty when establishing a secondary dwelling unit.

The *Planning Act* further increases the maximum temporary allowance of garden suites for up to 20 years, whereas a maximum of 10 years was previously permitted. No changes are recommended with regard to the City of London’s garden suite policies or zoning by-law regulations. The current framework

Secondary dwelling units must comply with any applicable laws, which could include the Building Code, the Fire Code and property standards by-laws. The changes do not “grandfather” any existing second units that do not meet applicable laws.

Second Dwelling Unit Terminology

Secondary dwelling units are self-contained residential dwelling units complete with separate kitchen and bathroom facilities located within, and ancillary to, an existing dwelling. The secondary dwelling unit may be located within an accessory structure such as above a garage or in a separate “coach house”. However, only one secondary dwelling unit is permitted on a lot.

Secondary dwelling units are commonly referred to as accessory dwelling units, secondary suites, accessory apartments, basement apartments, or in-law flats. These terms are

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interchangeable. However, secondary dwelling units do not include garden suites, lodging houses, or converted dwellings, which are currently separately defined by the City of London’s Zoning By-law.

Garden suites are temporary self-contained dwelling structures. These units are permitted in agriculturally designated areas through a temporary zone 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.

Secondary dwelling units share characteristics with both garden suites and converted dwellings however are considered a distinct and separate use. Secondary dwelling units, like garden suites, provide a clear service to the owner who are required to occupy the primary dwelling. They may provide accommodation for family members that require, for a variety of reasons, housing in proximity to the owner., Secondary dwelling units may also provide a source of income whereby, the owner would otherwise not be able to maintain the cost of home ownership. Secondary dwelling units, like converted dwellings, are designed as permanent alterations within existing structures.

Where the owner does not occupy the primary dwelling unit, a secondary dwelling is a means of optimizing investment from a dwelling. There is often little connection between each unit and is commonly considered a duplex, converted dwelling or other currently defined residential use. Therefore, the use must remain ancillary in both form and function to the primary residential use to be considered a secondary dwelling unit.

Current Policies

Through the last Official Plan Review (OPA 438), Council adopted Official Plan policies related to accessory dwelling units. The policies were prepared in anticipation of the changes now required by the *Planning Act*. The scope of uses permitted by the legislative changes is greater than the adopted policies, creating the need for an update.

The existing Official Plan policies may consider secondary dwelling units within areas designated Low Density Residential. Through a Zoning By-law amendment, a secondary dwelling unit may be permitted within a single detached or semi-detached dwelling on a site-specific basis. The additional unit must satisfy a number of criteria including:

- i. Maximum of two (2) units per residential dwelling;
- ii. The gross floor area of the accessory dwelling unit is equal to or less than the floor area of the principle dwelling unit;
- iii. The principle dwelling unit shall be owner occupied;
- iv. The accessory dwelling unit cannot be located in an accessory building or attached garage;
- v. A minimum of one (1) additional on-site parking space must be provided;
- vi. All regulations associated with the zone must be complied with;
- vii. No more than five (5) bedrooms total for both the principle and accessory dwelling units;
- viii. Accessory dwelling units may be required to be licensed; and
- ix. Accessory dwelling units shall be subject to the policies of section 3.2.3. – Residential Intensification of this plan

These policies serve as the basis for developing new secondary dwelling unit policies in conformity with the *Planning Act*.

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Council Direction

On June 26, 2012, in response to the changes made by the Province with respect to secondary dwelling units, Council resolved:

That, on the recommendation of the Director of Land Use Planning and City Planner:

- a) the Civic Administration BE DIRECTED to prepare a draft Official Plan amendment to implement secondary dwelling units policies in conformity with recent changes to the Planning Act;*
- b) the Civic Administration BE DIRECTED to prepare a draft Zoning By-law amendment to implement secondary dwelling units regulations to conform to the Official Plan; and,*
- c) the Civic Administration BE DIRECTED to ensure that the entire apartment is not located in a basement, in conjunction with the Building Code. (2012-D11-09)*

On April 16, 2013, Council directed Staff to circulate draft amendments for public comment and finalize Official Plan policies and Zoning By-law regulations for review at a public meeting:

That, on the recommendation of the Managing Director, Planning and City Planner, the staff report dated April 9, 2013, with respect to city-wide Official Plan and Zoning By-law Amendments, as it relates to secondary dwelling units, BE CIRCULATED for public comment; it being noted that the matter shall be considered at a future public participation meeting of the Planning and Environment Committee.

This report is in response to the above Council direction.

Outcome

The City of London is required to update the Official Plan and Zoning By-law to conform to the *Planning Act* requirements. New secondary dwelling unit policies and regulations are recommended to provide the City of London and residents a number of positive outcomes such as:

- 1. Meeting affordable housing needs;
- 2. Providing safer accommodation for Londoners;
- 3. Intensifying built-up areas;
- 4. Providing Londoners with opportunities to “age in place”; and,
- 5. Enabling supplemental income for home ownership viability.

Managing expectations around requirements, processes and fees will be essential to the successful implementation of secondary dwelling unit policies.. Further, the municipality facilitate the process by operating under key principles:

- 1. Efficient application processing time requirements;
- 2. Certainty around creating a new secondary dwelling unit; and
- 3. A high standard of design and protection of neighbourhood character.

The proposed policy and regulatory framework is intended to facilitate these outcomes.

ANALYSIS

SECONDARY DWELLING UNITS BENEFITS:

Secondary dwelling units will help London achieve the following broad based planning objectives and scoped initiatives:

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Building Strong and Attractive Neighbourhoods

As part of London’s Strengthening Neighbourhood Strategy, 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 the area.

Secondary dwelling units can help achieve goals of the Strengthening Neighbourhood Strategy in regard to vibrancy and appeal by:

1. Providing a variety of housing choices;
2. Offering the opportunity to age in place;
3. Promoting community diversity through housing opportunities for new domestic and international immigration;
4. Offsetting housing expenses; and
5. 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. Secondary dwelling 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.

Addressing the Need for Affordable Housing

The City of London is determined in finding options to provide affordable housing. Secondary dwelling units may provide an affordable housing option to meet some of the demand by:

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

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.

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;

CONCERNS WITH SECONDARY DWELLING UNITS

Despite the benefits of secondary dwelling units, there are potential impacts created by secondary dwelling units within existing residential neighbourhoods. Bill 140 grants the municipality the ability to develop policies and regulations to mitigate potential impacts created by secondary dwelling units. Through this report Staff is recommending potential amendments

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to the Official Plan and Zoning By-law that are intended address the concerns raised through the review process.

Impact on Neighbourhoods

Parking

A major concern is the increased parking requirements of adding a second unit. Concerns related to on-street parking have been raised. Secondary dwelling units may create the need to provide additional on-site parking.

Along with a limit on the number of bedrooms, the proposed amendments include minimum and maximum parking standards. It is expected that secondary dwelling units shall be ancillary and the needs of parking will be limited to no more than one additional parking space as reflected in policy.

Neighbourhood Appearance

Exterior alterations to dwellings are commonly associated with changing neighbourhood character. Secondary dwelling units are most accepted when they do no impact a neighbourhood’s look and feel. The City of London’s existing policies require that the neighbourhood character be maintained through restricting visible changes when establishing new units. The requirement for no exterior alterations will be maintained within the proposed framework.

Property Maintenance

Properties that fall into disrepair and where garbage is not properly stored can negatively impact the aesthetics health and quality of the neighbourhood. A common belief is that dwellings with secondary dwelling units are not maintained in good repair, particularly in the case of 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.

Ensuring Safety

Providing safe housing options is a concern of the City of London and the public. Health and safety is intended to be addressed using the Ontario Building Code and Ontario Fire Code.

Secondary dwelling units that are to be established will be required to meet the Ontario Building Code and Ontario Fire Code, continued compliance is expected to be achieved through the residential rental license and the building permit process.

Providing Services and Infrastructure

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

CMHC has undertaken studies on secondary dwelling 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 a secondary dwelling unit. Further, individuals living in secondary dwellings often take advantage of the proximity and access to public transit, schools and parks.

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

Secondary dwelling units are currently exempt from development charges as discussed later in

this report.

Other reviews conclude that secondary dwelling 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 Secondary Dwelling Units

CMHC research highlights several presumptions regarding occupants of secondary dwelling 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 secondary dwelling units are established. However, it has been found that secondary dwelling units:

1.

More than 50% of secondary dwelling units were occupied by one person;
2.

Approximately 50% of secondary dwelling unit occupants were a relative or close friend of the secondary dwelling unit owner; and
3.

Often categorized as affordable housing.

By contrast, the reason owners would seek out to provide a secondary dwelling unit varied. While primarily identified as a source of financial assistance income, other reasons relate to: avoid living alone, providing a home for relatives in need of assistance (physical or financial) accomodating a friend or relative to stay in order to provide assistance (maintenance, health care).

RESEARCH FROM OTHER MUNICIPALITIES

London is not unique in dealing with the issue of secondary dwelling units. Many cities across Ontario are working through this issue with their own localised approaches. The following table highlights the exiting frameworks of several other comparable municipalities.

Municipality	Toronto	Ottawa	Burlington	Waterloo
Area	City wide	City wide	City wide	City Wide (zones)
Dwelling type	Singles/semis over 5 years old	Detached dwelling, semi, duplex	Singles	Single, semi, duplex, converted dwelling, triplex accessory structrue
Min GFA	55m ²	N/A	42m ²	N/A
Max GFA	No greater than primary dwelling	At grade or above grade 40% of dwelling, or whole of basement	100 m ² no greater than 40% of total floor area	600m ²
Frontage	N/A	13m	15 m	15m
Lot area	N/A	N/A	N/A	360 m ²
Parking	1 space per unit and where 2 parking spaces required for property 1 space can be used for second unit	The principal and secondary dwelling units must share the parking area and yards provided for the principal dwelling unit, and no new driveway may be created, except in the case of corner lots.	2 spaces per accessory unit, 2 spaces per dwelling unit	1 space for every 2 lodgers and 1 per proprietor if on site. 4 spaces for triplexes
Driveway width	No	50%	7.35 on 15m lots	7m

External Appearance	No addition or substantial alteration to exterior appearance of front or side of the dwelling facing street	No change in street-scape, must have a separate access that cannot be located in an exterior wall facing the front	Separate exterior entrance required / prohibited on front elevation.	Property Standards By-law, lot maintenance by-law, maintain physical appearance (no structural changes)
Registration / Licensing fees	N/A	Permit required to Build	N/A	\$68.15 - \$757.30
Inspections	Building	Property Standards	Building Enforcement /	Municipal Law Enforcement

Mississauga Classification System

The City of Mississauga has recently undertaken a comprehensive study with respect to secondary dwelling units. As a result, the City of Mississauga developed a two category approach to handling secondary suites.

1. Owner Occupied Dwelling
2. Investment Dwellings

The notion being that a distinction can me made generally between the two. An owner occupied dwelling, generally, requires a second dwelling to support a family member or covering the cost of home ownership. Where the owner does not live on the property, it is used as an investment. Concerns such as absentee landlords, and the perception of poor property maintenance is much greater among investment properties than owner occupied dwellings.

Owner Occupied dwellings have lower licensing fees, are permitted as of right where the existing zoning regulations are complied with. Investment dwellings are required to undertake a minor variance process as a condition of licensing along with higher licensing fees. Both types of units require to meet Ontario Building and Fire Code regulations.

IMPLEMENTATION STRATEGY

In order to implement the changes made through Bill 140 and address concerns identified in this report, the proposed strategy includes the following:

1. Official Plan policies
2. Zoning By-law regulations
3. Licensing requirements

The proposed Official Plan and Zoning By-law amendments are intended to provide stronger tools to the municipality in implementing secondary dwelling units.

Official Plan

The City of London Official Plan provides policy direction for all matters related to the growth and development of the city.

The City of London's existing Official Plan policies (Section 3.2.3.8) for establishing secondary (accessory) dwelling units may consider secondary dwelling units within areas designated Low Density Residential. Through a Zoning By-law amendment, an accessory dwelling unit may be permitted within a single detached or semi-detached dwelling on a site-specific basis.

The legislative changes require that townhouses or related accessory structures be included as uses allowing secondary dwelling units on the same lot.

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Great Near Campus Neighbourhoods

The Great Near-Campus Neighbourhood Strategy was developed to identify challenges and potential solutions to alleviate concerns of negative impacts related to the over intensification of the areas surrounding Western University, and Fanshawe College. As a result, Official Plan and Zoning By-law amendments, adopted by Council, implement recommendations from the Strategy.

Many of the negative land use impacts within near-campus neighbourhoods have been attributed to an increase in the number of new dwelling units within low density residential areas and to an increase in the occupancy of existing dwelling units by way of building additions or by converting basements and other common rooms into additional bedroom space.

Near-Campus Neighbourhoods policies define “Residential Intensity” as the increase in the usability of an existing definition of dwelling, building, or site to accommodate additional occupancy by such means as building construction or additions, increasing the number of bedrooms, and expanding parking areas.

The near-campus neighbourhoods polices provide guidance to encourage additional residential intensification proposals that are located in appropriate areas and are constructed in purpose-built, higher density building forms which are designed to accommodate the anticipated level of intensity and are professionally managed to mitigate concerns related to property maintenance, noise, garbage, and parking, among others. While allowing for different forms of intensification, the policies discourage a site-specific approach as is anticipated in the case of secondary dwellings. Secondary dwelling units promote a form of density that is contrary to the direction of the Near-Campus Neighbourhood area policies given the unique demands for short-term/transient accommodation in proximity to UWO and Fanshawe College.

Secondary dwelling units, while intended to remain a form of hidden density, provide additional intensification opportunities to an area. In the same respects, protecting the residential amenity of the Near-Campus Neighbourhoods Area which has a defined plan for intensification that has been recently adopted by Council after extensive public stakeholder consultation, is intended to be maintained through the proposed amendments.

Neighbourhood Character

The physical environment of the neighbourhood, composed of its lots, buildings, streetscapes, topography, street patterns and natural environment are some of the elements that collectively determine much of the character of a neighbourhood and its streetscape. The character of a neighbourhood includes the form, massing and architectural components of its buildings. Secondary dwelling units are intended to be a form of hidden density. As such, exterior alterations to dwelling units are to be restricted. There should be no visible change to the streetscape when establishing secondary dwelling units. To this end parking and outdoor space should also maintain the character of the primary use only.

Secondary Dwelling Unit as a Distinct and Separate Use

Secondary dwelling units are self-contained and fully functioning housekeeping units located entirely within another dwelling. The primary and secondary dwelling unit could function as a single dwelling unit with the exception of internally locked doors and common hallways. Further, the secondary dwelling unit is clearly intended as accessory and ancillary to the primary dwelling unit. Accessory and ancillary in this circumstance would be considered as being an income generator or to provide assistance to other individuals (such as family members) in close proximity to the owner.

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In contrast, a duplex or semi-detached dwelling unit are two-unit dwellings, which operate as independent and separate housekeeping units, whereby there is no reliance among units. The owner of land is not required be located on site and may be used for income generating purposes. Duplex and semi-detached are visibly separate units from the street, with separate exterior entrances and in some case separate driveways.

It is therefore considered appropriate that secondary dwelling units policies and regulations address the expected form and intensity of the use, and that this use is separate and distinct from other forms of residential dwelling types.

Proposed Amendments

Based on the review noted in this report Planning staff recommend that the following amendments be made as follows:

1. *Delete the last paragraph in Section 3.2.3.8 Zoning By-law and add a new section 3.2.3.9 Secondary Dwelling Units as follows:*

Secondary dwelling units may be permitted within a single detached dwelling, semi-detached dwelling or a townhouse dwelling. The secondary dwelling unit must be clearly ancillary to the primary residential use and may be permitted where all of the following criteria are met:

2. *Establish the following criteria for the establishment of Secondary Dwelling Unit:*
 - i. **Secondary dwelling units shall be permitted where the primary unit is owner occupied;**

The intent of Secondary Dwelling Units is that they are clearly accessory and ancillary to the primary residential unit. Further, they provide a direct benefit to the owner as a primary resident on the lot, either through receiving financial assistance or providing assistance to a family member in close proximity. Where this is not the case, a dwelling containing a second unit may be considered a different form of dwelling unit (i.e. duplex, converted dwelling) which may not be permitted by the zone. Owner occupancy is recommended to be verified and maintained through the residential rental unit license as recommended in this report.

- ii. **A maximum of one (1) secondary dwelling unit per primary dwelling unit is permitted, and must be located on the same lot as the primary dwelling unit;**

This policy caps the number of secondary dwelling units per lot to limit the potential of over development of an area. Secondary dwelling units are intended to serve assistance to the property owner and family.

- iii. **Secondary dwelling units shall not be permitted within the Great Near-Campus Neighbourhood Area as defined by Figure 3-1 of this Plan;**

Secondary dwelling units will not be permitted within the Great Near-Campus Neighbourhood Area. This area has recently undergone a comprehensive planning study and contains a number of areas that are zoned to permit additional dwellings as-of-right.

- iv. **A Secondary dwelling unit shall be limited to a maximum of one (1) bedroom, and the total number of bedrooms of both the primary dwelling unit and secondary dwelling unit is not greater than five (5)**

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Secondary dwelling units are intended to provide either assistance to the owner’s family members or provide for additional income to support the ability for home ownership. Multi-bedrooms are considered a separate and distinct dwelling unit and represent infill and intensification beyond the intent of the secondary dwelling unit polices.

- v. Secondary dwelling units shall be required to be licensed pursuant to the Residential Rental Unit Licensing By-law;**

The City has an approved Residential Rental Unit Licensing By-law. Secondary dwelling units would be subject to receiving a license and maintaining its annual renewal.

- vi. The gross floor area of a secondary dwelling unit shall not be greater than 40% of the combined total gross floor area of both the primary residential dwelling unit and secondary dwelling unit;**

This policy will maintain that a secondary dwelling unit remains accessory and ancillary to the primary dwelling unit.

- vii. A secondary dwelling shall comply with all regulations of the associated zone;**

This policy will ensure that the lot requirements such as lot area, coverage, setbacks, landscaped areas are maintained. These requirement are established to protect the form and massing of an area and will assist in maintaining the character of the area.

- viii. Exterior alterations to provide for a secondary dwelling unit shall not be permitted and the primary dwelling entrance shall be from within the primary dwelling unit; with the exception where a second entrance is required by the Ontario Building Code and Ontario Fire Code, exterior alterations to provide for the second entrance shall be permitted within the interior side yard or rear yard;**

This policy is to ensure that alterations made to provide secondary dwelling units do not affect the appearance and character of a neighbourhood. Entrances to secondary units will be handled internally. Front facades will not indicate the presence of a second unit. For health and safety purposes, alterations for emergency means of egress may be permitted in interior side yards or rear yards.

- ix. A maximum of one (1) additional on-site parking space is required and maintained in accordance with the zoning by-law and where a second driveway is not permitted;**

This policy requires one additional parking space to serve the needs of the secondary dwelling without creating visual impacts to the neighborhood.

- x. Secondary dwelling units may be permitted within an accessory structure:**
 - a. is located on the same lot as the primary dwelling unit;**
 - b. meets the requirements of the zone;**
 - c. where the primary dwelling unit does not contain a secondary unit;**
 - d. is located in the rear yard;**

Changes to the *Planning Act* require that secondary dwelling units may be permitted in accessory structures. This policy is to ensure that an owner may either locate the

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secondary dwelling unit in the primary structure (such as a house) or an accessory structure (e.g. coach house). This does not permit the establishment of both units. A policy permitting one secondary dwelling unit continues to apply.

xi. A secondary dwelling 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.

Concerns were raised related to the health and safety of occupants located in basements. As such, secondary dwelling units shall not be permitted in locations where there is an identified potential for flooding.

Zoning By-law Regulations

The City of London Zoning By-law Z.-1 performs the regulatory function of controlling land use within the City of London. However, the Zoning By-law does not currently provide for secondary dwelling units within permitted residential dwelling types except where implemented through a site-specific zoning by-law amendment, as noted in the Official Plan. To better implement secondary dwelling uses, the following provisions are recommended to facilitate the establishment the use.

It should be noted that the recommended framework would not require a planning application prior to the establishment of secondary dwellings unit provided that the requirements of the Zoning By-law are maintained.

Zoning By-law Provisions

In order to implement Secondary Dwelling Units it is recommended that Section 4 General Provisions of the City of London’s Zoning By-law be amended to include the following:

- 1. Section “3” Definitions to By-law No. Z-1 is amended by adding the following definitions following directly after the definition for Accessory Dwelling Unit;

SECONDARY DWELLING UNIT means a dwelling unit accessory to a residential use, in which food preparation, eating, living, sleeping and sanitary facilities are provided for the exclusive use of the occupants thereof, and where the use of the dwelling unit is for the purpose to supporting the proximate needs of the permanent resident of the primary dwelling unit.

- 2. Section “4” General Provisions to By-law No. Z-1 is amended by adding the following subsection;

4.__ Secondary Dwelling Units

The provisions of this section shall apply to all secondary dwelling units, unless specified herein.

1) Permitted Zones

A Secondary Dwelling Unit, shall be permitted within any zone in association with the following uses:

- a) **Single detached dwellings;**
- b) **Semi-detached dwellings;**
- c) **Street townhouse dwellings;**

2) Number of Secondary Dwelling Units Per Lot

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A maximum of one (1) secondary dwelling unit shall be permitted per lot.

3) Location of Secondary Dwelling Units

A secondary dwelling unit shall not be permitted on a separate lot from which it is accessory to.

A secondary dwelling unit shall not be permitted on any lot located within the Near-Campus Neighbourhoods Area as delineated by Figure 4.36 of this By-law

A secondary dwelling unit or part thereof is permitted in a basement provided the finished floor level of such basement is not below the level of any sanitary sewer servicing the building or structure in which such basement is located.

4) Location of Secondary Dwelling Units within Accessory Structures

A secondary dwelling unit may be permitted in an accessory structure on the same lot as the primary dwelling, but no more than one (1) secondary dwelling unit shall be permitted per lot.

A secondary dwelling unit in an accessory structure shall be required to meet the regulations of the zone.

A secondary dwelling unit may only be permitted in an accessory structure located in the rear yard or interior side yard.

5) Floor Area Requirements

No secondary dwelling unit shall be erected or used unless it has the a minimum gross floor area of 25 square meters.

The gross floor area of a secondary dwelling unit shall not be greater than 40% of the combined total gross floor area of the primary dwelling unit and the secondary dwelling unit. For the purposes of calculating gross floor area requirements for secondary dwelling units the following shall not be included:

- (a) additions to dwelling units completed within five (5) years prior to the establishment of a secondary dwelling unit; and**
- (b) the gross floor area of accessory structures.**

6) Parking

A secondary dwelling unit shall require a maximum of one (1) parking space.

7) Total bedrooms

A Secondary dwelling unit shall be limited to a maximum of one (1) bedroom, and the total number of bedrooms of both the primary dwelling unit and secondary dwelling unit is not greater than five (5).

8) Exterior Alterations

No exterior alterations shall be permitted to dwellings; primary entrances to secondary dwelling units shall be provided through internal improvements; notwithstanding, secondary entrances where required by the Ontario Building Code or the Ontario Fire Code may be permitted in interior side or rear yards.

9) Licensing

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A secondary dwelling unit shall be required to obtain a license under the City of London Residential Rental Unit Licensing By-law.

Licensing Requirements

On August 30, 2011 the City of London adopted a Residential Rental Units Licensing By-law. This by-law requires that all rental units, unless explicitly exempt, shall obtain a licence to operate.

The Licensing by-law provides the municipality to:

- (a) receive and process all applications for all licenses and renewals of licences under this By-law;
- (b) issue licenses in accordance with the provisions of this By-law;
- (c) impose terms and conditions on licences in accordance with this By-law; and,
- (d) refuse to issue or renew a licence or revoke or suspend a licence in accordance with this By-law.

Additional conditions on the licence may be included as prescribed by the License Manager.

Updates to the Residential Rental Unit Licensing By-law may be required, where appropriate, to reflect the secondary dwelling unit use.

This report recommends that Council direct staff to include owner occupancy as a requirement for Residential Rental Unit Licenses related to secondary dwelling units.

Enforcement and Compliance Issues

The provisions of the Residential Rental Unit Licensing By-law provides the enforcement tool to inspect licensed premises. Further, the concerns regarding property standards, maintenance issues, and parking violations are impacts that can be addressed without requiring access to the secondary dwelling unit.

Offenses may result in the suspension or revocation of the residential rental unit license or fines to the property owner.

FINANCIAL CONSIDERATIONS

Development Charges

The City collects development charges for growth related infrastructure and services. Under the Development Charges By-law certain developments are exempt including, among others:

- (a) 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;*
- (b) 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;*

Using the exemptions provided within the Development Charges By-law, secondary dwelling units within single detached, semi-detached or townhouses would be exempt from paying development charges. However, secondary dwelling units established in accessory structures would not be exempt under the current By-law. An amendment would be required to exempt secondary units in detached accessory structures.

No changes are proposed to the Development Charges By-law.

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<div>CONCLUSION</div>

The City of London is required to bring its municipal land use planning policies up to date with the current legislative framework. The proposed policy and regulatory framework will align the City’s policies and land use regulations with the revisions to the *Planning Act*. Further, the proposed amendments are intended to address concerns related to potential impacts by secondary dwelling units, while facilitating speed and certainty of the approval process.

<div>PREPARED BY:</div>	<div>SUBMITTED BY:</div>
<div>ERIC LALANDE PLANNER II, POLICY PLANNING AND PROGRAMS</div>	<div>GREGG BARRETT, AICP MANAGER, POLICY PLANNING AND PROGRAMS</div>
<div>RECOMMENDED BY:</div>	
<div>JOHN M. FLEMING, MCIP, RPP MANAGING DIRECTOR, PLANNING AND CITY PLANNER</div>	

July 8, 2013
EL/el
“Attach”

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Appendix "A"

Bill No. (number to be inserted by Clerk's Office)
2013

By-law No. C.P.-1284-_____

A by-law to amend the Official Plan for the City of London, 1989 relating to secondary dwelling unit policies.

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

1. Amendment No. (to be inserted by Clerk's Office) to the Official Plan for the City of London Planning Area – 1989, as contained in the text attached hereto and forming part of this by-law, is adopted.
2. This by-law shall come into effect in accordance with subsection 17(38) of the *Planning Act, R.S.O. 1990, c.P.13*.

PASSED in Open Council on _____, 2013.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First Reading – _____, 2013
Second Reading – _____, 2013
Third Reading – _____, 2013

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AMENDMENT NO.

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 secondary dwelling unit policies to conform with changes to the *Planning Act* as made by Bill 140.

This Amendment:

1. Amends Section 3.2.3.8 Zoning By-law by deleting the last paragraph, which relates to Accessory Dwelling Units
2. Inserts Section 3.2.3.9 Secondary Dwelling Units
3. Renumbers section 3.2.3. to accommodate the changes made by this Amendment

B. LOCATION OF THIS AMENDMENT

1. 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 Bill 140 with respect to secondary dwelling units.

The amendments are consistent with the policies of the *Provincial Policy Statement, 2005*, and are consistent with the Residential policies of the Official Plan.

The recommended amendments provide for the implementation of Council’s June 26, 2012 direction and results in the provision of expanded policies related to secondary dwelling units within the City of London.

D. THE AMENDMENT

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

1. By deleting the last paragraph and associated criteria of subsection 3.2.3.8 Zoning By-law of the Official Plan in its entirety:
2. By inserting the following policy as subsection 3.2.3.9 of the Official Plan

- 3.2.3.9

Secondary Dwelling Units

Secondary dwelling units may be permitted within a single detached dwelling, semi-detached dwelling or a street townhouse dwelling. The secondary dwelling unit must be clearly ancillary to the primary residential use and may be permitted where all of the following criteria are met:

 - i. Secondary dwelling units shall be permitted where the primary unit is owner occupied;
 - ii. A maximum of one (1) secondary dwelling unit per primary dwelling unit is permitted, and must be located on the same lot as the primary dwelling unit;
 - iii. Secondary dwelling units shall not be permitted within the Great Near-Campus Neighbourhood Area as defined by Figure 3-1 of this Plan;

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- iv. A Secondary dwelling unit shall be limited to a maximum of one (1) bedroom, and the total number of bedrooms of both the primary dwelling unit and secondary dwelling unit is not greater than five (5).
- v. Secondary dwelling units shall be required to be licensed pursuant to the Residential Rental Unit Licensing By-law;
- vi. The gross floor area of a secondary dwelling unit shall not be greater than 40% of the combined total gross floor area of both the primary residential dwelling unit and secondary dwelling unit;
- vii. A secondary dwelling shall comply with all regulations of the associated zone;
- viii. Exterior alterations to provide for a secondary dwelling unit shall not be permitted and the primary dwelling entrance shall be from within the primary dwelling unit; with the exception where a second entrance is required by the Ontario Building Code and Ontario Fire Code, exterior alterations to provide for the second entrance shall be permitted within the interior side yard or rear yard;
- ix. A maximum of one (1) additional on-site parking space is required and maintained in accordance with the zoning by-law and where a second driveway is not permitted;
- x. Secondary dwelling units may be permitted within an accessory structure:
 - a. is located on the same lot as the primary dwelling unit;
 - b. meets the requirements of the zone;
 - c. where the primary dwelling unit does not contain a secondary unit;
 - d. is located in the rear yard;
- xi. A secondary dwelling 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.

3. Amend subsection 3.2.3.9 by renumbering it as 3.2.3.10

4. Amend subsection 3.2.3.10 by renumbering it as 3.2.3.11

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Appendix "B"

Bill No. (number to be inserted by Clerk's Office)
2013

By-law No. Z.-1-13_____

A by-law to amend By-law No. Z.-1 to add
secondary dwelling unit provisions zoning
by-law.

WHEREAS The City of London has applied to amend the City of London Zoning
By-law Z.-1 to add new Secondary Dwelling Unit definitions and general provisions

AND WHEREAS upon approval of Official Plan Amendment Number (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 "3" Definitions to By-law No. Z-1 is amended by adding the following definitions
following directly after the definition for Accessory Dwelling Unit;

SECONDARY DWELLING UNIT means a dwelling unit accessory to a residential use,
in which food preparation, eating, living, sleeping and sanitary facilities are provided for
the exclusive use of the occupants thereof, and where the use of the dwelling unit is for
the purpose to supporting the proximate needs of the permanent resident of the primary
dwelling unit.

2. Section "4" General Provisions to By-law No. Z-1 is amended by adding the following
subsection;

4.__ Secondary Dwelling Units

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

- 1) Permitted Zones

A Secondary Dwelling Unit, shall be permitted within any zone in association with the
following uses:

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

- 2) Number of Secondary Dwelling Units Per Lot

A maximum of one (1) secondary dwelling unit shall be permitted per lot.

- 3) Location of Secondary Dwelling Units

A secondary dwelling unit shall not be permitted on a separate lot from which it is
accessory to.

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A secondary dwelling unit shall not be permitted on any lot located within the Near-Campus Neighbourhoods Area as delineated by Figure 4.36 of this By-law

A secondary dwelling unit or part thereof is permitted in a basement provided the finished floor level of such basement is not below the level of any sanitary sewer servicing the building or structure in which such basement is located.

4) Location of Secondary Dwelling Units within Accessory Structures

A secondary dwelling unit may be permitted in an accessory structure on the same lot as the primary dwelling, but no more than one (1) secondary dwelling unit shall be permitted per lot.

A secondary dwelling unit in an accessory structure shall be required to meet the regulations of the zone.

A secondary dwelling unit may only be permitted in an accessory structure located in the rear yard or interior side yard.

5) Floor Area Requirements

No secondary dwelling unit shall be erected or used unless it has the a minimum gross floor area of 25 square meters.

The gross floor area of a secondary dwelling unit shall not be greater than 40% of the combined total gross floor area of the primary dwelling unit and the secondary dwelling unit. For the purposes of calculating gross floor area requirements for secondary dwelling units the following shall not be included:

- a) additions to dwelling units completed within five (5) years prior to the establishment of a secondary dwelling unit; and
- b) the gross floor area of accessory structures.

6) Parking

A secondary dwelling unit shall require a maximum of one (1) parking space.

7) Total bedrooms

A Secondary dwelling unit shall be limited to a maximum of one (1) bedroom, and the total number of bedrooms of both the primary dwelling unit and secondary dwelling unit is not greater than five (5).

8) Exterior Alterations

No exterior alterations shall be permitted to dwellings; primary entrances to secondary dwelling units shall be provided through internal improvements; notwithstanding, secondary entrances where required by the Ontario Building Code or the Ontario Fire Code may be permitted in interior side or rear yards.

9) Licensing

A secondary dwelling unit shall be required to obtain a license under the City of London Residential Rental Unit Licensing By-law.

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.

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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 _____, 2013.

Joe Fontana
Mayor

Catharine Saunders
City Clerk

First Reading - _____, 2013
Second Reading – _____, 2013
Third Reading - _____, 2013