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Subject: **Information Report - City-Initiated Official Plan Amendment and Zoning By-law Amendment to Implement Additional Residential Units (Garden Suites) Regulations**

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Report Number: Planning, Bld & Ec Dev-2021-543

Recommendations:

1. **THAT** the report titled “Information Report - City-Initiated Official Plan Amendment and Zoning By-law Amendment to Implement Additional Residential Units (Garden Suites) Regulations” to the Planning and Development Committee meeting of June 7, 2021, be received;
2. **THAT** staff be directed to report back to Planning and Development Committee with the results of the Public Meeting and a staff recommendation; and,
3. **THAT** a copy of this report and Council resolution be forwarded to the Region of Peel for information.

Overview:

- **Bill 108 – More Homes, More Choice Act, 2019 received Royal Assent in June 2019. The Bill made changes to several pieces of legislation, including the *Planning Act*.**

- The changes to the *Planning Act*, which came into effect in September 2019, require municipalities to authorize the use of a second residential unit in a detached, semi-detached or townhouse dwelling, as well as an additional residential unit in a building or structure ancillary to the principal dwelling, for a potential of up to three units per lot.
- The City of Brampton Official Plan and Zoning By-law currently do not permit detached additional residential units in a building or structure ancillary to the principal dwelling. Brampton has permitted second units since 2015, subject to the applicable Zoning By-law requirements and the Registration By-law.
- The policy review for additional residential units is a deliverable of *Housing Brampton*, which aims to support the provision of age friendly and inclusive housing that is affordable and accessible to all. Changes to the existing second unit requirements are not being proposed as part of this review.
- In accordance with Provincial legislation, all municipalities in Ontario are required to implement policies that authorize the use of additional residential units in detached structures. Brampton has the ability to establish regulations and standards for additional residential units.
- The purpose of this report and the statutory public meeting is to present the draft City-Initiated Official Plan and Zoning By-law Amendments to permit ancillary detached additional residential units City-wide.
- This report and proposed amendments are consistent with the “A City of Opportunities” theme in the Term of Council Priorities. It supports the creation of more inclusive and livable communities in Brampton.

Background:

Bill 108, the *More Homes, More Choice Act, 2019*, brought changes to the *Planning Act*, which came into effect in September 2019, intended to increase housing options and boost housing supply in order to address Ontario’s housing crisis.

Brampton is required to comply with *Planning Act* changes that require municipal Official Plans and Zoning By-laws to contain city-wide provisions permitting Additional Residential Units (ARUs) within detached, semi-detached, or townhouse units, and within an accessory structure on the same property. This has the effect of potentially allowing up to three dwelling units per residential lot. In accordance with Section 17(24.1) of the

Planning Act, appeals (other than appeals by the Minister) to policies that authorize the use of ARUs are not permitted.

The City of Brampton has permitted second units since 2015 in detached, semi-detached and townhouse dwellings, subject to specific zoning requirements and the Registration By-law. Brampton does not currently permit an additional residential unit within an accessory building or structure.

Housing Brampton

At the time of writing this report, it is anticipated that the *Housing Brampton – Housing Strategy* and recommendation report will be presented at the May 10, 2021 Planning and Development Services Committee meeting for endorsement by Council.

Housing Brampton, a comprehensive housing strategy, addresses housing affordability, diversity and innovation. *Housing Brampton* aims to support the provision of age-friendly and inclusive housing that is affordable and accessible to all. The six principles that will guide the City’s response to housing needs are:

- Reduce Barriers to Supply of Housing
- Make Full Use of Regulatory Tools
- Incorporate Equity
- Collaborate with the Non-Profit Sector
- Advocate for the Right Housing
- Demonstrate Innovation

The policy review for additional residential units is identified as an early deliverable of Housing Initiatives and achieves the objectives outlined in *Housing Brampton*. The proposed amendments support the principles of *Housing Brampton*, particularly reducing barriers to the supply of housing, make full use of regulatory tools and incorporate equity.

Infrastructure Capacity Analysis

The City, with support from the Region of Peel, is undertaking a high-level Infrastructure Capacity Analysis. This is a preliminary review of the carrying capacity of existing built-up areas, to understand impacts of gentle intensification such as ARUs.

A range of potential impacts (water, wastewater, storm water, traffic and parking, school capacity, property tax assessments, etc.) are being analyzed for a sample of residential neighborhoods in Brampton. A preliminary data modelling reveals that the impacts differ geographically and depend on a host of related planning and engineering factors.

The outcome of the Infrastructure Capacity Analysis will inform the work undertaken as part of the policy review to permit ARUs, as well as inform the City and Region on potential impacts of gentle densification on existing infrastructure and services.

Current Situation:

Additional Residential Units (ARUs)

In accordance with the *Planning Act*, the term “**Additional Residential Units (ARU)**” applies to both the accessory residential units that are contained within the principal

dwelling (such as basement apartments) and the detached units, however, the City will refer to detached residential units as **“Garden Suites”**. **“Second units”** will continue to apply to accessory units that are contained within the principal dwelling, and together with a ‘Garden suite’, will be a form of ARU.

It is proposed to define a **“Garden Suite”** as a self-contained residential dwelling unit within an accessory building or structure, with its own cooking facilities, sanitary facility and sleeping area, and located on the rear or side yard of a detached, semi-detached, townhouse dwelling, or two-unit dwelling (a dwelling that contains a second unit). Garden Suites are also known as laneway suites, coach houses, tiny houses, and/or granny flats.

The following are examples of Garden Suites:



Figure 1: Garden Suite and Second Unit located on a single-detached lot



Figure 2: Laneway Suite (a form of a Garden suite) located on a single-detached lot





Figure 3: Images of Garden Suites (Source: Shutterstock)

Benefits of Garden Suites

Garden Suites help the City of Brampton achieve its broad planning objectives and addressing housing affordability challenges including:

- Supporting modest population growth and densification;
- Providing a variety of housing choice;
- Supporting the supply and range of rental housing options across the City;
- Supporting changing demographics through opportunities to age in place and have age friendly communities;
- Utilizing efficiencies in City and Regional infrastructure including roads, public transportation, water/wastewater and community centres;
- Providing flexibility for homeowners to better utilize their property; and,
- Supporting homeowners to earn extra income to support financial flexibility and home ownership viability.

Concerns about Garden Suites

Conversely, there are a number of concerns related to introducing Garden Suites, particularly in existing built-up areas of the City, where residents may be concerned about the change to the neighbourhood character; privacy; increased population; increased traffic and parking; noise impacts; and impact to property values and property tax. As previously noted, Garden Suites provide for a number of important benefits to our communities and provide a modest increase in population to better utilize the City's infrastructure such as roads and public transportation to maintain quality service delivery standards. Any potential health and safety impacts or concerns will be addressed through the proposed regulations.

Technical Analysis

Staff have completed a technical analysis, as well as a benchmarking exercise of Additional Residential Units, Garden Suites and Laneway Suites regulations in other Canadian municipalities. Staff reviewed ten other municipalities' by-laws and provide a summary of the findings in Appendix 1. The majority of the municipalities regulate the size, height, setback requirements (front lot line, rear lot line, interior side yard lot line), separation distance from principal dwelling and Garden Suite, lot coverage, and parking requirements for Garden Suites.

Proposed Official Plan and Zoning By-law Amendments

The proposed amendments will introduce Garden Suites in the Official Plan and Zoning By-law to allow up to one additional residential unit in a detached building that is accessory to the principal dwelling. The existing Second Unit (Two-Unit Dwelling) provisions in the Official Plan and Zoning-By-law that apply to residential units located within the principal dwelling are not proposed to be amended.

In conjunction with the Second Unit (Two-Unit Dwelling) provisions, single-detached, semi-detached, and/or townhouse lots may be permitted up to a maximum of two additional residential units per lot, including a maximum of one second unit located within the principal dwelling, and a maximum of one Garden Suite in an accessory structure. It is noted that two second units will not be permitted to be located within the principal dwelling nor will two Garden Suites be permitted to be located in two separate accessory structures on the same lot. There is no prerequisite to have a second unit within the principal dwelling to be able to construct a Garden Suite in a detached building, or vice versa.

It is not intended that Garden Suites be permitted on every residential lot across the City. Garden Suites will only be permitted on residential properties that can appropriately accommodate them in accordance with the proposed regulations and standards, and subject to the same registration process that currently exists for second units.

Staff are seeking public input on the proposed Official Plan Amendment (OPA) (Appendix 2) and Zoning By-law Amendment (ZBLA) (Appendix 3). The draft OPA proposes to permit Garden Suites subject to land use planning criteria and ensure compliance with the Ontario Building Code and/or Fire Code, Registration By-law and Property Standards By-Law, and other applicable approval requirements. The OPA is intended to ensure Garden Suites are accessory and compatible with the principal dwelling. The OPA is also intended to ensure that there are no negative impacts to health and safety, servicing, stormwater management, site drainage, and flood risk.

The draft ZBLA is proposed to permit Garden Suites subject to zoning requirements that regulate the size, height, setbacks (rear and interior side yard), separation distance from principal dwelling and Garden Suite, lot coverage, and parking. The proposed amendments ensures Garden Suites have minimal impact to street visibility and neighbourhood context and scale.

Staff find that the proposed amendments conform with the overall intent of *Bill 108* to proactively plan for ARUs, and encourage a diversity of housing options in Brampton.

Building permit and registration process

Staff is proposing that Garden Suites will be required to follow the same building permit and registration process as second units. The one-time registration process will ensure that all Garden Suites meet the requirements under the Ontario Building Code and Zoning By-law, and are intended to make these units safe, legal and livable.

Taxation

Property taxes are based on the value and tax class of the property. The standard formula for calculating property taxes is the tax rate multiplied by the assessed value of the home. This is the case for all residential properties in the City of Brampton.

The Municipal Property Assessment Corporation (MPAC) is responsible for capturing the property's assessment value and delivers an assessment roll annually to the City to support the calculation of property taxes.

In accordance with Section 3(1)1 of Ontario Regulation 282/98, lands used for residential purposes are considered part of the Residential Property Class. The Multi-Residential Property Class which depicts a residential dwelling that has a seven or more self-contained units is the exception, as it is subject to a higher tax rate.

The number of people occupying a home is not a factor in determining the property's assessed value. A residential second unit within an existing detached structure does not have a significant impact on a property assessment: it is viewed in the same light as a finished basement. As such, these improvements become part of the annual assessment roll and yield a negligible one-time additional property tax revenue the first time it is returned on the assessment roll.

MPAC may view an additional residential unit (Garden Suite) differently than a second unit within an existing single-detached, semi-detached or townhouse dwelling. MPAC will determine the property assessment based on the information provided by the City of Brampton Building Department as part of the permit process. MPAC may issue supplementary/omitted assessments through a Property Assessment Change Notice (PACN) to capture assessment values that have not been returned on the assessment roll. The supplementary/omitted assessments would concern the Garden Suite and result in a one-time additional property tax revenue to the City. Where PACNs have been issued for Garden Suites; the new assessment would become part of the annual assessment roll going-forward and their financial impact would be revenue neutral.

Churchville Heritage Conservation District

Proposals for Garden Suites within residential properties located within the Churchville Heritage Conservation District (CHCD) will be required to submit a Heritage Permit along with any supporting documentation/materials. Specific criteria for Garden Suites within the CHCD will be determined through this policy review, such as the size and scale; appearance; architectural design, exterior finishes and materials; visibility from Church Street; and meets the objectives and guidelines of the Village of Churchville Heritage Conservation District Plan.

Public Engagement

Due to the ongoing COVID-19 pandemic, staff have opted to cancel the originally planned open house. In lieu, the City is engaging with residents through an online public survey for approximately three months to receive public comments and feedback to reflect Garden Suite policies that represent the needs of Brampton residents.

Metroquest Survey – Additional Residential Units / Garden Suites

The City launched an online public survey to receive public input until mid-June 2021. Notice of the survey was given by public notification in the Brampton Guardian (online), social media, and the City's website.

As municipalities are required to permit Garden Suites to conform to Bill 108, the survey is intended to receive feedback from residents to prepare policies that are made-in-Brampton. The survey responses are anonymous and will be used for this policy review and the Brampton Plan (Official Plan) Review.

For more information on the Additional Residential Unit (Garden Suite) policy review and how to participate in the online survey, please visit the City's project webpage: <https://www.brampton.ca/ARU>

Public Meeting Notification Area

Notice of the Public Meeting was given by public notification in the Brampton Guardian and on the City's website: <http://www.brampton.ca/en/City-Hall/Pages/Public-Meetings-Notices.asp>

Provincial and Regional Interest

The proposed OPA and ZBLA are consistent with matters of Provincial and Regional interest. See Appendix 5 for a summary of applicable policies.

Corporate Implications:

As part of the policy review, an interdepartmental working group was established to participate in the formulation of Brampton's Garden Suite policies. The working group includes staff from Planning, Building and Economic Development, including Zoning, Building, Development Services; Public Works & Engineering; Traffic Planning; Legal Services; Fire & Emergency Services; Enforcement & By-law Services; and Corporate Communications. Comments provided by the working group have been considered in the preparation of the proposed OPA and ZBLA.

Financial Implications:

There are no financial implications directly associated with this report. Any future financial implications will be discussed in a forthcoming recommendation report to Council, pending Council approval.

Term of Council Priorities (2019-2022)

This report directly aligns with the Strategic Direction – Brampton is a City of Opportunities, in particular the Council Priority to Create Complete Communities. The proposed amendments to the Official Plan and Zoning By-law to permit Garden Suites support the implementation and recommendations of the Housing Strategy, facilitating the creation of a more inclusive and livable community.

Living the Mosaic – Brampton 2040 Vision

This report and proposed policy amendments generally align with the Social Matter and Housing Vision, in particular Action #5-2 Housing, by providing additional opportunities to accommodate affordable housing units in the City.

Next Steps:

The City-Initiated draft Official Plan Amendment and Zoning By-law Amendment is presented by the City for formal public review and comment.

Following the statutory public meeting, staff will report back to Planning and Development Committee with a final recommendation on the proposed Official Plan Amendment, Zoning By-law Amendment, and a revised Registration By-law by Fall 2021.

Conclusion:

In compliance with Provincial legislation, Brampton is undertaking a policy review to permit Garden Suites City-wide, subject to specific zoning requirements. The proposed amendments to the Official Plan and Zoning By-law will support the supply and range of affordable housing accommodations in the City.

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Appendices:

- Appendix 1 – Benchmarking – Additional Residential Unit Provisions
- Appendix 2 – Draft Official Plan Amendment
- Appendix 3 – Draft Zoning By-law Amendment
- Appendix 4 – Policy Planning Context and Analysis Summary