

# **Committee Report**

To: Warden Janice Jackson

Members of the Planning and Development Committee

From: Mark Paoli

Director of Planning and Development

Date: July 15, 2021

Re: Bruce County Official Plan Amendment C-2021-015

#### **Staff Recommendation:**

That Bruce County Official Plan Amendment C-2021-015 - Additional Residential Units be approved; and

That the by-law be forwarded to County Council for adoption.

# **Summary:**

Committee authorized staff to initiate an amendment update Additional Residential Units and permit them in detached buildings, based on policies outlined in the April 15 Committee Report "Initiation of Additional Residential Units Official Plan Amendment" and research completed in partnership with students from the University of Guelph School of Rural Planning and Development. The attached amendment reflects the outcome of comments received through the Plan the Bruce - Homes project and discussions with both the Province and local Municipalities that commented on the proposal.

# **Alignment with Guiding Principles:**



GOOD GROWTH
To put growth in the right locations with the right services



AGRICULTURE
To support our key
economies, including
supporting a thriving
agriculture community



CONNECTING
To improve our ability to move people, goods, and information between communities



HOMES
To increase the supply and mix of homes



BUSINESS
To create opportunities for a diversity of businesses, jobs, and employers



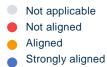
COMMUNITIES
To create wellbeing through access to healthy complete communities



HERITAGE
To identify and
manage our cultural
heritage resources



NATURAL LEGACY
To manage natural resources
wisely for future generations



The Proposed amendment aligns with several guiding principles:

- HOMES The proposal directly supports increases to the supply and mix of homes, and particularly of units available for rental purposes.
- GOOD GROWTH The amendment recognizes servicing as a key consideration in areas where supply and mix can be readily created.
- AGRICULTURE The amendment ensures opportunities for temporary farm housing while avoiding land use conflicts by providing limited opportunities for an additional residential unit.
- NATURAL LEGACY Natural legacy considerations are addressed through limiting opportunities for additional residential units in 'Rural Recreation' areas associated with shorelines and natural settings.
- COMMUNITIES The amendment notes an opportunity for Guidelines to be developed to support integration of additional units within communities, and for rental supply to be increased;
- BUSINESS additional opportunities for housing can help to ease a current constraint for business growth.

On balance, this proposal is aligned with the Guiding Principles and the Vision of a healthy, diverse and thriving future.

# **Planning Analysis**

The initiation report noted amendments to establish a more flexible policy framework would reduce barriers to creating additional units. This would also support investment and assessment growth without extension of infrastructure leading to broader economic benefits associated with increased housing supply.

The focus of the amendment is to implement the most recent direction from the Province, with appropriate consideration within the Bruce County planning context. Provincial direction for additional residential units is broad and outlined in Section 16 (3) of the Planning Act:

"An official plan shall contain policies that authorize the use of additional residential units by authorizing, (a) the use of two residential units in a detached house, semidetached house or rowhouse; and (b) the use of a residential unit in a building or structure ancillary to a detached house, semi-detached house or rowhouse."

To align with this direction, the Official Plan Amendment would:

- i) Redefine Secondary Suites as 'Additional Residential Units' to align with the Planning Act; and
- ii) Permit additional residential units in any designation where residential uses are permitted as a primary use;
- iii) In most designations permit up to two additional residential units / garden suites per primary residential unit: one in the building with the dwelling, and one in a detached building.

In conversation with provincial staff, County staff confirmed that this direction is to be applied broadly and limited only where necessary and justified from a land use planning perspective, in consideration of other provincial directions. Provincial staff noted that there are few examples of updates to other Official Plans in effect since the legislation was changed from requiring additional units in *either* the dwelling or an ancillary building to both a unit in the dwelling and in an ancillary building.

# **Considerations For Bruce County:**

In review of the Bruce County's context, staff identified the following as appropriate directions for the application of Additional Residential Units policies in Bruce County:

### Servicing

Servicing, and particularly wastewater (sewage) treatment is a key consideration for Additional Residential units. In settlement areas where there is wastewater infrastructure with capacity, additional residential units may not pose a problem. However, in areas without services, cumulative development on septic systems can have adverse groundwater impacts, particularly where there is clustered development on smaller lots. As uses that are ancillary, or secondary to a primary use, additional residential units would not be expected to necessarily have the same impact as a second, primary use, and in some cases, such as conversions of existing large dwellings, could see very limited changes in daily wastewater flow.

The current policies of the Official Plan, related to "secondary" units, seek to recognize this by directing that secondary units are not permitted on lots that are *undersized*, while also not specifying an increased lot area requirement for a secondary unit. Servicing policies of the plan state that new lots under 4047 square metres (1 acre) are permitted only if supported by a nitrate study. Of note, the Inland Lakes designation requires a 1ha lot area, and the Rural Recreation area a 0.8ha lot area for non-waterfront lots. These lot sizes are intended to address inland lake carrying capacity, and, particularly in the peninsula area, very limited soils over bedrock which limit opportunities for infiltration.

From a review of assumptions in a number of nitrate studies previously completed in Bruce County, in most cases a 0.4 ha lot size would be appropriate for a small apartment in addition to a primary dwelling, and 0.6h for two additional residential units, that are smaller than a principal dwelling. Challenges may occur in areas where there is limited soil depth, leading to greater runoff. As these are most typically associated with the Rural Recreation area and related inland lake areas, the larger minimum lot area requirements of these designations that are outlined in the plan should apply. Local zoning may also establish maximum unit sizes for additional residential units on private services. Site Plan Control agreements can be applied where studies indicate additional opportunities for smaller lots, larger apartments, or advanced sewage disposal systems.

Outside of Rural Recreation and Inland Lake Development areas, on lots serviced by individual onsite septic services, staff recommend applying a 0.4 ha minimum lot size for 1 additional residential unit, and a 50% increase to 0.6 ha for two residential units, unless the development is supported by a nitrate study. This is consistent with the existing plan direction and provides some flexibility for additional units.

### Agricultural Areas

Increased housing supply in the Agricultural designation may make a limited contribution to overall housing affordability objectives, as these areas are outside settlement areas and away from employment, services and amenities. Increased housing may also conflict with the objective of protecting prime agricultural areas and may create compatibility issues and future severance efforts. In many agricultural areas, consolidating farm operations are leading to surplus dwellings that are severed, so that agricultural operators do not need to be landlords.

Additional residential units are, to some extent, already provided for through the Official Plan, through policies for a 'secondary farm residence' which permits an additional dwelling but limits occupancy to full time employees of the farm. This provision is more limited than necessary and impractical from an implementation or enforcement perspective if farm operational needs change.

An appropriate and modest approach is to permit for one Additional Residential Unit, either in the primary dwelling or an ancillary building, and with zoning by-laws including provisions related to sharing services and driveways and establishing a maximum separation between dwellings so that the additional unit is part of the farm building cluster and does not result in loss of agricultural lands or future land division applications.

The amendment also clarifies that additional residential unit policies do not apply to or limit temporary farm worker accommodation, which being seasonal in nature and variable in terms of need is considered differently from a development and servicing standards perspective.

#### Rural Recreation Area and Inland Lake Development Area

Population and Housing objectives of the Plan direct the majority of growth to primary and secondary urban communities and within existing hamlet communities, encourage affordable housing and intensification in existing urban areas which enhances positive characteristics, and ensure that development occurs in a cohesive and efficient manner without undue impacts on social or natural environment.

Rural Recreation Areas and Inland Lake Development areas of the County for the most part recognize existing areas of development, principally along the shoreline, which are principal areas for tourism and recreation with limited intent for seasonal and permanent residential development. These areas are not intended as a focus of growth, and the designation acknowledges that generally there are no municipal services and that new development is to be reviewed for natural environment impacts using a cautionary approach.

Many developments in Rural Recreation and inland lake areas pre-date planning considerations for impacts of clustered development on private sewage systems, and so have small lot areas. Natural heritage features in these areas include wetlands and areas of natural and scientific interest, significant wildlife habitat, and habitat of endangered and threatened species that may be sensitive to increased development. In addition, over 30% of the Inland Lake designation, and 43% of the Rural Recreation designation, is identified as being within forest types that fall into moderate, high, or extreme wildland fire risk. Basic mitigation of these risks often includes clearing coniferous trees within 10m of buildings.

The Inland Lake Development Area was not specifically noted in the initial circulation; however, this delegation functions as a sub-set of the Rural Recreation area, with a specific note that many of these lakes are at or above capacity, and thus have larger lot area requirements, study requirements, and development generally limited to infilling.

The above constraints are important to consider in reviewing opportunities for additional residential in these areas. From a housing need perspective, these may provide opportunities for children or parents to share a property while retaining independent living quarters. Some of these areas are also located within and subject to policies of the Niagara Escarpment Plan, which does provide for additional residential units within a primary dwelling unit.

The counter concern is that additional residential units may be seen as an income opportunity primarily through short-term rentals, with the result that opportunities for a rental unit to help reduce shelter costs are offset by price increases if investors are willing to pay more for an asset that can generate a higher return. Short-Term rental uses have also generated some concerns regarding overcrowding of units. Local Municipalities considering programs to manage short term rental accommodations may wish to consider potential Additional Residential Units within these discussions.

Huron-Kinloss staff noted the lakeshore area was subject to an assessment of capacity for development on private services capacity that shows limited opportunities for additional intensification within the existing lot fabric, and that the Municipality seeks to avoid permitting additional residential units in this area. Planning staff note that typical lot sizes in this area would not meet the size threshold for an additional residential unit on private services unless supported by site-specific studies.

In the Rural Recreation, and the related Inland Lake Development designation, staff recommends that an additional residential unit be permitted only within a building containing a primary residential dwelling, and further subject to the lot area requirements noted above; local zoning may also establish maximum unit size or number of bedrooms, in order to further manage wastewater volumes. This would:

- Be consistent with Niagara Escarpment Plan policies where they apply;
- Support a lower total footprint of development (to support rainwater infiltration and dilute wastewater);
- Support objective of fewer structures requiring clearing for wildland fire protection; and
- May assist in management of potential external impacts of short-term rental occupancies.

#### Neighbourhood Compatibility

One Municipality requested consideration of opportunities to maintain local approaches to additional residential units in the Official Plan and further noted that typical accessory building setbacks may not be appropriate for buildings occupied as a dwelling.

Saugeen Shores staff requested that the amendment include opportunities for local plans to provide greater opportunities (more additional residential units) and/or different opportunities (i.e., 2 units in an ancillary building, vs one each in the primary and detached building).

The Plan would continue to rely upon local zoning for detailed provisions related to additional residential units and this also provides for local flexibility. With the additional opportunity for units in detached buildings, the plan amendment recommends that additional residential units, as a residential use, be subject to the same required yards as a primary dwelling, rather than the typically smaller setbacks provided for accessory buildings that are not occupied as a dwelling. These requirements could be further refined together with a guideline or more detailed provisions to support local application.

# Limits to Implementation

The proposed amendments, and implementing zoning changes, provide more opportunities for housing supply and mix. They are not intended to guarantee lots will be able to accommodate one or more additional residential units.

Brockton staff noted that in new, smaller subdivision lots it would be potentially more difficult to add a detached dwelling; a semi-detached would be more likely and already in the plans and could potentially count in density.

Huron-Kinloss staff also noted that lot size, coverage, and configuration of existing development (for example, small side yards with HVAC units in them) can all limit opportunities for access to rear yard units.

Further, in some areas there may be servicing capacity constraints, whether on public or private services.

The intent of the amendment is to provide a range of opportunities, so that additional residential units are available as an option for lots that meet the criteria and can be appropriately developed.

### **Public Engagement**

Engagement on the Plan the Bruce - Homes project identified strong support for opportunities to develop additional residential units, with over 80% of survey respondents indicating support and 2/3 saying they would consider adding a unit to their home if the rules allowed it. Realtors noted that new builds with secondary suites have been well-received in the marketplace, and that with current financing terms these units are easiest to develop as part of the initial construction, rather than by later renovations.

Comments related to Additional residential units noted opportunities for family members, seniors, young people, and for creating a pathway for existing units to be legally recognized, inspected, and improved. There are some concerns about these uses becoming short term rentals and having limited impact on housing supply. This was also reflected in Municipal comments. Comments around intensification also noted limited opportunities where sewer infrastructure is not available.

Notice for the amendment was published in the Sun Times to meet statutory requirements and re-published in several local papers closer to the public meeting date. Notice was also emailed to agencies and members of the public who expressed interest in the Plan the Bruce - Homes project.

Public comments specific to this amendment are attached.

#### Role for Garden Suites

When presented to the Committee, a question arose as to whether Garden Suites continue to remain relevant if detached additional dwelling units are permitted. Garden Suites are dwelling units that are temporarily located on a property in accordance with specific temporary use by-law provisions of the Planning Act, and typically have occupancy limited to specified persons. We reviewed this question with the province and determined that they are an optional tool and are not required to be offered. Staff also confirmed that the servicing standards for garden suites would be the same as for permanent dwelling units. One municipality noted that we should be looking for permanent solutions, while another noted value in continuing to have a range of options.

Staff recommends this amendment update and retain policies for garden suites as an option, while continuing to consider their long-term relevance to the new Official Plan. Though not noted in the circulation, staff recommends including as a minor change to the amendment that garden suites may be converted to permanent additional residential units where they conform to the additional residential unit policies of the County Official Plan, Local Official Plan (where applicable) and zoning by-law.

## Updates since formal circulation

Subsequent to formal circulation a few opportunities to increase the clarity of the amendment were noted. These changes are shown in **bold** in the amendment attached to this report and include:

- Opportunity to convert 'Garden Suites' to permanent Additional Residential Units
- Clarity that the larger lot area requirements of Inland Lake Development and Rural Recreation area backlots apply
- Include reference to the Inland Lake Development Designation, together with the Rural Recreation area, as areas where only one additional residential unit is permitted.
- Point to the new policy section numbers for guidance on additional residential uses policies, and update numbering.
- Replace a reference to 'accessory apartments' with 'Additional Residential Units'
- Add direction to permit Additional Residential Units in local Official Plans; and
- Add opportunity for local plans to provide policies for more than 2 Additional Residential Units, or different configurations of Additional Residential Units.

#### Planning Opinion

The proposed amendments provide the County with an opportunity to increase supply and mix of homes. The Amendment implements the direction outlined in the Planning Act, with regard for the planning context of Bruce County, and provides for more detailed implementation through local Official plans and zoning by-laws.

### Financial/Staffing/Legal/IT Considerations:

There are no financial, staffing, legal or IT considerations associated with this report.

In accordance with Section 24 of the Planning Act, only the Minister of Municipal Affairs may appeal Official Plan policies, requirements, or standards related to Additional Residential Units.

# **Report Author:**

Jack Van Dorp Manager of Land Use Planning, Planning and Development

# Departmental Approval:

Mark Paoli Director, Planning and Development

# Approved for Submission:

Sandra Datars Bere Chief Administrative Officer

# **Appendices**

- Agency Comments
- Public Comments
- Public Notice
- Draft Amendment
- Decision Sheet

# **Agency Comments**

- Huron Kinloss (attached) hope to be able to implement Huron-Kinloss-specific solutions, established through consultations before most recent Planning Act changes; noted servicing constraints in Lakeshore, practices for Additional Residential Units in within dwellings, and setback considerations for detached units. Noted Garden Suites may still be relevant, are subject to same servicing requirements, lot sizes seem appropriate though reliant on local zoning, and ADU policies may be appropriate with consideration for existing local policies.
- Saugeen Shores staff (attached) Amendment supports recommendations of Affordable Housing Task Force, sought confirmation that units would be permitted in the Rural designation as well; suggested clarifying policies in 2 areas, and addition of policy permitting local planning policies to facilitate more than 2 additional residential units or combinations of units in primary / ancillary structures on properties where appropriate.
- Brockton (via Plan the Bruce Homes Survey- density discussion): New smaller subdivision lots potentially more difficult to add a detached dwelling, semi-detached would be more likely and already in the plans and could potentially count in density.
- South Bruce (via Plan the Bruce Homes Survey): South Bruce need to incorporate secondary suites and possible units in accessory buildings; via density: Can't be forced/required but available to the owner at a later date or next owner.

### **Public Comments**

- Mary Millar Salvation Army (attached)
- Arlene Kennedy (attached)
- Frances Cunliffe (attached)