



# The Corporation of the Town of Milton

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Report To: Council

From: Meaghen Reid, Director, Legislative & Legal Services/Town Clerk  
Peter Gatto, Fire Chief

Date: March 17, 2025

Report No: CORS-004-25

Subject: Additional Residential Unit (ARU) Registry By-law and the Numbering of Properties & Buildings By-law. These by-laws are being recommended to support life safety in ARUs and to help manage the impacts of ARUs on the community.

**Recommendation:** **THAT** the necessary by-laws, included on the March 17, 2025 Council meeting agenda, be considered for approval, with an enactment date of April 1, 2025;

**THAT** a new user fee of \$340.00, before taxes, be introduced effective April 1, 2025 to recover the cost of the initial registration of additional residential units and be added to the Town's User Fee By-law at the next available opportunity.

## EXECUTIVE SUMMARY

Through Bill 23, the More Homes Built Faster Act, the Ontario Planning Act was changed to require local municipalities to permit up to two additional residential units (ARUs) on urban detached, semi-detached and townhouse lots that are served by municipal water and sewage services. The related zoning amendments for ARUs in urban areas were approved by Council in 2024, as a result of the enactment of Bill 23, More Homes Built Faster Act.

This report recommends the adoption of two by-laws to support the Additional Residential Unit (ARU) Compliance Program: an Additional Residential Unit (ARU) Registry By-law and the Numbering of Properties & Buildings By-law. These by-laws are being recommended to support life safety in ARUs and to help manage the impacts of ARUs on the community.

The proposed ARU Registry By-law will align with zoning requirements and will regulate additional dwelling units. This registry will ensure the following: that critical emergency response information is available for Fire and Rescue Services, the safety for ARU occupants and overall compliance with municipal regulations and zoning for ARUs.



Proposed updates to the Numbering of Properties & Buildings By-law will ensure that the property numbering system is clear and consistent for ARUs and will allow emergency responders to quickly locate addresses, especially in cases where accessory units or alternate residential arrangements, such as accessory residential units, are present.

It is recommended that a new user fee of \$340.00, before taxes, be introduced to recover the cost of the initial registration of ARUs, which is a user-funded program. At this time, this is an initial fee for ARUs and not an annual or renewal fee.

Towards the conclusion of the three-year pilot program, staff will re-assess the financial implications of the program and report back to Council on the long-term resourcing requirements and budgetary implications, along with any recommended changes to the user fees.

## REPORT

### Background

Through Bill 23, the More Homes Built Faster Act, 2022, the Ontario Planning Act was changed to require local municipalities to permit up to two additional residential units (ARUs) on urban detached, semi-detached and townhouse lots that are served by municipal water and sewage services. An ARU may be located within a detached, semi-detached or townhouse. Alternatively, one ARU may be located in an accessory building on the same lot as the detached, semi-detached or townhouse and the other ARU may be located within the principal building.

As noted within Staff Reports DS-30-2024 and DS-24-2024, staff have identified that it is critical for property owners who operate an ARU to register the unit with the Town and to agree to the terms of a registry and the necessary numbering of building and properties. This is meant to ensure that ARUs in the community meet safety standards and can be accessed by fire and emergency services, if needed.

### Discussion

#### ARU Registry By-law Regulatory Overview:

An ARU is defined as a self-contained dwelling unit that is subordinate to a principal dwelling unit in a detached dwelling, semi-detached dwelling, semi-link dwelling, or townhouse dwelling and is located within the same building, or within an accessory building on the same lot, as the principal dwelling unit.

ARUs differ from short term rental units. Short term rentals (STRs) are defined as the rental of private individuals of their home, or part of their home, for short periods of time (28 days or less) and have been licensed in the Town of Milton in 2022. ARUs and

## Discussion

STRs provide different types of housing and accommodation options within the community.

The proposed ARU Registry By-law aims to create a structured approach to managing residential units in Milton to ensure compliance with safety requirements and to help address impacts to the community. An ARU Registry By-law will have specific requirements for ARUs, which will be discussed below.

### ARU Registry By-law:

An Additional Residential Unit Registry By-law has been developed by staff following a jurisdictional scan of comparable municipalities, a regulatory review of municipal by-laws and consideration of enforcement resources.

If approved, all new and existing ARUs must be registered with the Town of Milton in accordance with the proposed Registry By-law included within this agenda. Upon registration, the ARU owner will be required to submit an application fee to a Town-appointed Licensing Officer for review and approval. When an initial application is received, a Municipal Law Enforcement Officer and a Fire Prevention Officer will conduct an inspection of the property to ensure compliance of municipal by-laws and provincial regulations, such as zoning, community standards, the Fire Prevention and Protection Act and the Ontario Fire Code.

The introduction of ARU registry will ensure the following:

- **Critical emergency response information:** The ARU registry will allow emergency services to respond to an emergency at a property with ARUs with the appropriate amount and type of resources required to manage an incident with multiple units.
- **Safety for occupants:** Registry requirements and inspections are aimed at ensuring that ARUs meet safety and regulatory standards and help to ensure safe living conditions within the community.
- **Compliance with municipal regulations:** By establishing a registry for ARUs, the Town can monitor the presence of ARUs and ensure they meet municipal regulations, which may not currently be enforced.
- **Mitigation of community impacts:** Regulating ARUs can help address community impacts by ensuring that properties are used for their intended residential purposes and meet zoning requirements. The proposed registry by-law will ensure that the Town has a record of contact for property owners with ARUs and that the property is in compliance with the Fire Prevention and Protection Act, the Ontario Building Code Act and all Town by-law requirements (i.e. noise and parking).

## Discussion

- **Improved data about dwellings in Milton:** The introduction of a registry could also provide better and more accurate information about the number of dwellings within the community, which helps with planning for the future.

### **Numbering of Properties & Buildings By-law - Regulatory Overview:**

In addition to the development of ARU Registry By-law, staff are proposing updates to Numbering of Properties & Buildings By-law. There was significant consultation between the Legislative and Legal Services Division and Milton's Fire and Emergency Services during the by-law review process, which allowed staff to gather their input on how the numbering system could be improved for operational needs and emergency response.

The changes to the existing Number of Properties & Buildings By-law include:

- **Clear Distinction of Accessory Units:** The proposed by-law includes specific provisions for numbering accessory units, such as basement apartments or secondary suites, to distinguish them from the primary residence. For example, using a system of 123-1 for detached and semi-detached dwelling units and 123-1-1 for townhouse units would help identify accessory units.
- **Consistent Numbering Format:** The by-law establishes a uniform format for numbering that is easily recognizable by both residents and emergency responders, which includes guidelines on font size, placement, and visibility during day and night.

The amended Numbering of Properties and Buildings By-law seeks to improve emergency response to residents by having clarity for residents and emergency personnel alike about the location of an incident. Compliance with this by-law ensures that emergency responders have clear and accurate information regarding the numbering and location of units within a dwelling. By following the established guidelines for ARUs and house numbering, property owners will help to ensure that safety of occupants and properties.

### **ARU Inspections:**

As part of the 2025 Budget, an Additional Residential Unit (ARU Compliance Program) will be in place for a 3-year pilot term. Resources have been dedicated to support this registry program to ensure compliance with Town by-laws for ARUs and to assess the long-term impacts of ARUs.

With the dedicated staffing resources, ARU inspections will be coordinated with Municipal Enforcement and Fire Prevention staff to enhance community safety, uphold property standards and address community impacts.

## Discussion

Upon the submission of an initial application, inspections will include, but are not limited to:

- **Assessment of Municipal By-Laws:** Officer will evaluate compliance with by-laws, including parking regulations and community standards. This may involve checking for unauthorized parking, maintaining property aesthetics, and ensuring that noise and nuisance regulations are followed.
- **Zoning Compliance:** The inspections will verify that properties conform to zoning requirements, including land use designations, building setbacks, and density regulations. This is crucial to maintaining the intended purpose of legal units within the community.
- **Fire Safety Regulations:** The inspections will assess adherence to the Fire Prevention and Protection Act. This includes checking for proper installation and maintenance of fire alarms, sprinkler systems, emergency exits, and overall fire safety protocols. Inspectors will also evaluate the availability of fire extinguishers and the maintenance of clear evacuation routes.
- **Documentation and Reporting:** Following the inspections, detailed reports will be compiled, outlining any violations or areas of non-compliance. Property owners will receive notifications regarding any issues that need to be addressed, along with timelines for compliance.
- **Follow-up Inspections:** After the initial inspections and subsequent notifications, follow-up inspections will be conducted to ensure that any identified issues have been rectified. Continued non-compliance may result in further action, including fines or other enforcement action.
- **Collaboration and Education:** Enforcement and fire prevention staff will work together to educate property owners about compliance requirements and best practices for maintaining safety and adherence to municipal regulations.

## Fees:

The introduction of a user fee for the registration of ARUs will allow the Town to recover the cost of registration, including compliance inspections. A user fee analysis has been conducted and a fee of \$340.00, excluding HST, is recommended effective April 1, 2025. This amount is comparable to surrounding municipalities based on a municipal scan completed and assumes 2 dedicated inspections staff and 3.5 inspections per day for breakeven. The fee will be subject to annual increases based on the Town's annual municipal price index.

The fee will be applicable to registrants upon the initial registration of the ARU. Through the pilot phase, the time and effort associated with the registry process will be further assessed to review whether the fee structure adequately recovers the ongoing costs of this user-funded program. At this time, this is an initial fee and not an annual or renewal fee.



## Discussion

### Education:

Working with the Communications & Customer Experience Division, audiences will be reached after the enactment date of the ARU registry by-law (April 1, 2025) through standard channels including: social media, media relations, website updates, and online material. Web page content will include a detailed guide outlining permit submission, enforcement requirements and frequently asked questions to help stakeholders navigate the new permit process effectively.

Collaboration with Fire and Emergency Services will also aim to leverage stakeholder outreach to encourage compliance with this pilot program.

## Financial Impact

The 2025 Budget included capital project C26001225 - Additional Residential Unit (ARU) Compliance Program in the amount of \$1,009,315 to provide for a three-year compliance pilot program (2025 to 2028).

During the three-year pilot phase, the Town will dedicate temporary resources, funded through the capital project and user fees, to support the registry program to ensure compliance with Town zoning by-law requirements and applicable provincial legislation.

Towards the end of the pilot, staff will re-assess the financial implications of the program and report back to Council on the long-term resourcing requirements and budgetary implications, along with any recommended changes to the user fees.

Respectfully submitted,

Kristene Scott  
Commissioner, Corporate Services

For questions, please contact: Mary Beth Mitchell, Manager,  
Licensing and Enforcement Phone: Ext. 2133  
Ted Michael, Division Chief of  
Fire Prevention

## Attachments

Appendix A: Draft ARU Registry By-law  
Appendix B: Draft Numbering of Properties and Buildings By-law

Approved by CAO



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Andrew M. Siltala  
Chief Administrative Officer

## Recognition of Traditional Lands

The Town of Milton resides on the Treaty Lands and Territory of the Mississaugas of the Credit First Nation. We also recognize the traditional territory of the Huron-Wendat and Haudenosaunee people. The Town of Milton shares this land and the responsibility for the water, food and resources. We stand as allies with the First Nations as stewards of these lands.