

| Report To: | Council |
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| From: | Jill Hogan, Commissioner, Development Services |
| Date: | June 3, 2024 |
| Report No: | DS-047-24 |
| Subject: | Additional Residential Units in the Urban Area - OPA and ZBLA Recommendation Report |
| Recommendation: | THAT Report DS-047-24 regarding Official Plan and Zoning By-law Amendments for additional residential units in the Urban Area be APPROVED; |
| | AND THAT Council ADOPTS Official Plan Amendment No. 80, in accordance with the draft Official Plan Amendment attached as Appendix A to Report DS-047-24; |
| | AND THAT Council ENACTS the draft Zoning By-law Amendment, attached as Appendix B to Report DS-047-24, to Comprehensive Zoning By-law 016-2014, as amended; |
| | AND THAT Council DIRECT staff to exempt the Town development charges owing on the fourth additional residential dwelling unit. |

EXECUTIVE SUMMARY

- This report recommends approval of the revised draft Official Plan Amendment (OPA) and Zoning By-law Amendment (ZBLA) for additional residential units in the Urban Area, attached as Appendix A and B respectively; and
- This report addresses comments, received during and subsequent to the statutory Public Meeting, and summarizes proposed revisions to the draft OPA and ZBLA that were presented at the Public Meeting.



REPORT

Background

On April 15th, 2024, a statutory Public Meeting was held for an Official Plan Amendment (OPA) and Zoning By-law Amendment (ZBLA) regarding additional residential units in the Town's Urban Area. The Public Meeting report, <u>DS-030-24</u>, included the draft OPA and ZBLA along with a discussion of the proposed policies and regulations. The draft OPA and ZBLA address the Planning Act requirements for additional residential units as updated through Bill 23, the More Homes Built Faster Act. The draft OPA and ZBLA also address the initiative to permit four units as-of-right town-wide for the Housing Accelerator Fund program.

Discussion

Based on comments received from Council and the public during and subsequent to the Public Meeting, as well as comments received from internal Town departments and external agencies, Staff has revised the draft OPA and ZBLA where necessary and appropriate. The revised draft OPA and ZBLA proposed for Council adoption is attached as Appendix A and B respectively. Appendix C and D are tracked-change versions of the OPA and ZBLA that show the changes made to the drafts presented at the Public Meeting. Appendix E summarizes and provides responses to written comments received from the public and agencies, and includes copies of the comments.

Public Meeting Questions and Comments

During the Public Meeting, Staff provided additional information in response to questions Council had regarding additional residential/dwelling units (ARUs/ADUs). Council raised questions regarding fire rating between units, infrastructure capacity and allocation, school capacity, pre-existing coach house and granny flat regulations, street parking, impacts on neighouring properties and accessory dwelling units in the rural area.

Council raised concerns about the impacts of ADUs on waste collection and management. Subsequent to the Public Meeting, Staff contacted Halton Region regarding waste collection for ADUs. Halton Region advised as follows:

Properties containing a legal ARU(s), are eligible to place up to three bags of garbage per legal unit for curbside pick-up. Currently, the Region's waste collection program collects recycling and organic waste weekly with no limits on total quantity.



Council also raised concerns about impacts of waste bins on the streetscape. Regional waste regulations address the location and placement of receptacles when they are set out for collection.

The Town's property standards by-law (By-law No. 131-2012) includes requirements regarding waste bins (i.e., must be rodent and pest proof, must have tight-fitting covers, etc.) and their proper storage when not out for collection. Should waste bins have negative impacts on the streetscape, the Region will be notified and by-law enforcement measures may be reviewed.

A total of seven (7) delegates provided comments during the Public Meeting. As noted during the meeting, it is proposed that only one dwelling unit on a lot would be permitted to be used as a short-term rental. There are currently no plans to establish a program to provide temporary exemptions from this regulation. One delegate spoke in support of the proposed reduction in the minimum number of parking spaces required on a lot that has an ADU(s). As noted during the meeting, the proposed parking requirements consider the Town's current situation and balances the needs of transit users and personal vehicle users, while aiming to mitigate on-street parking issues.

One of the delegates asked for clarification whether the floor area in a basement within a split-level ADU, which includes floor area in the basement and above-ground, would be excluded from the maximum floor area regulations for ADUs located on the first storey or above. Staff confirmed during the meeting that it is the intent of the proposed regulations that the basement floor area in a split-level ADU be excluded from the floor area maximums. The draft ZBLA has been revised to provide clarification.

Public Written Comments

Subsequent to the Public Meeting, two written comments on the draft OPA and ZBLA were received by Staff. The comments were provided by the Conestoga Students Inc. and Mattamy Homes. Appendix E summarizes and provides responses to each comment, and includes copies of the comments. No changes are proposed to be made to the draft OPA & ZBLA based on these comments.

Agency Comments

On March 25, 2024, external agencies were circulated the draft OPA and ZBLA, and were provided a 30-day commenting period. Halton Region has reviewed the proposed amendments and has exempted the amendments from Regional approval. The Halton



District School Board, the Halton Catholic District School Board and Enbridge Gas have reviewed the amendments and have no comments. No comments were received from the other agencies circulated. While Conservation Halton (CH) did not provide comments through the circulation process, Staff consulted with CH during the amendments drafting process. Appendix E also summarizes agency comments.

Additional Internal Review

At the same time as the agency circulation, the Town's internal departments were also circulated on the draft OPA and ZBLA. Although all applicable departments were involved from the beginning of the project process, this circulation process provided the Town's various departments the opportunity to conduct a final review and provide any comments.

The revisions described below are proposed to the draft OPA and ZBLA that were presented at the Public Meeting. Track-change versions showing the proposed revisions are included in Appendix C and D respectively.

For the draft OPA, minor changes are proposed to correct errors and omissions. Numbering errors on the draft are corrected. References to "accessory dwellings" are removed and replaced with "additional residential units" in policy C.6.5.1.2 of the Bristol Survey Secondary Plan and policy C.8.5.1.2 of the Sherwood Survey Secondary Plan.

The following changes are proposed for the draft ZBLA:

- Transition clauses are added to allow building permit and minor variance applications that were submitted prior to the date the ZBLA comes into effect to continue to be reviewed under the same regulations that were in effect when the application was submitted;
- Sections 4.1 iii) and 4.3.1 are revised to also not permit an accessory building or structure to be situated under an easement. For example, this would apply to any potential footings or foundation for an accessory building or structure;
- Language is added to provide clarification that the distance separation required between an accessory building containing an ADU and a principal building would also apply to any structure with a roof that may be attached to the principal building, for example a porch;



- Setbacks to lot lines are established for ground level HVAC and emergency generators associate with an accessory building containing an ADU;
- Some encroachments such as utility metres, small window wells, gates with an unobstructed opening, and stairs and landings are proposed to be permitted within the minimum 1.2-metre-wide unobstructed emergency access. These encroachments have been developed in consultation with the Town's Fire and Rescue Services and are deemed acceptable obstructions within the emergency access;
- The minimum width of a parking space on a residential driveway, on a lot where one or more ADUs(s) is located, is proposed to be further reduced to 2.50 metres instead of the previously proposed 2.55 metres. This reduction would further eliminate the need for Minor Variance applications in this regard. Past Minor Variance applications that have requested a width of 2.50 metres have all been approved; and
- Other minor changes for clarity and to facilitate implementation.

Appeal Period

The Planning Act does not permit appeals to the Ontario Land Tribunal in respect of policies and regulations adopted to authorize the use of additional residential units (ARUs). However, the Planning Act provisions regarding ARUs, including the no appeal provisions, only describe up to two (2) ARUs on a lot. Since the proposed OPA and ZBLA authorize the use of up to three (3) ARUs on a lot, there was uncertainty whether the Planning Act's no appeal provisions regarding ARUs apply to policies and regulations that authorize the use of a third ARU on a lot.

Staff sought and received a legal opinion on this matter. The Town's legal counsel, having reviewed the Planning Act provisions and case law, are of the opinion that it is unlikely that the proposed policies and regulations that go beyond the Planning Act ARU requirements are exempt from appeal. Based on this legal opinion, an appeal period for the proposed OPA and ZBLA should be provided. As such, if Council approves the proposed OPA and ZBLA, a 20-day appeal period, in accordance with the Planning Act, will be provided after the Notice of Passing is issued. If no appeals are filed, the OPA and ZBLA will come into effect the day after the last day of the appeal period.



Recommendation for Approval

Based on the general sentiments and feedback received from the Public Meeting process, there is general support from residents for approval of the policies and regulations to permit additional residential units in the Urban Area. As described in the Public Meeting report <u>DS-030-24</u>, Staff has taken into consideration a number of factors, such as fire and life safety and compatible integration within existing neighbourhoods, when drafting the policies and regulations. As described in this report, Staff have also considered and made revisions to the OPA & ZBLA where necessary and appropriate based on comments received from the Public Meeting and circulation process.

Not only will the proposed OPA and ZBLA fulfill the Planning Act and Housing Accelerator Fund Requirements, it will also support housing objectives of the Town such as increasing the supply of ground-related and rental housing, allowing flexibility for multi-generational living, increasing opportunities for affordable housing, and providing gentle intensification. As such, Staff is recommending that Council approve the proposed OPA and ZBLA to permit additional residential units in the Urban Area.

Monitoring

Should Council approve the proposed OPA and ZBLA, Staff will monitor the implementation of the policies and regulations and their effectiveness. Staff will periodically review building permit and minor variance applications to monitor uptake and construction of ADUs as well as whether any zoning regulations need to be adjusted.

On April 10th, 2024, the Province introduced Bill 185, the Cutting Red Tape to Build More Homes Act. Bill 185 proposes enhanced authority for the Minister of Municipal Affairs and Housing to make regulations establishing requirements and standards for additional residential units. These potential Planning Act regulations would override any conflicting local Zoning By-law regulations. Bill 185 is not yet in effect and no new regulations have currently been proposed. Staff will monitor changes to the Planning Act and bring to Council any future Zoning By-law amendments regarding ARUs as may be necessary to conform to provincial legislation.

Registry and House Numbering By-law

As recommended in the Public Meeting report (<u>DS-030-24</u>), a registry or licencing by-law is currently under review by town staff to address the potential life safety and community standard impacts. Staff is also reviewing the Town's House Numbering By-law 026-2010 to



support emergency services needs and provide clarity to the external and internal numbering of accessory units.

Financial Impact

Second and third additional dwelling units are exempt from the payment of development charges (DC), as well as for the conveyance of parkland, under a combination of Provincial legislation and the Town's related by-laws. At the time of passing, the Town's DC By-law was aligned with the Development Charges Act (DCA) in relation to additional dwelling units. The DCA has since been changed to provide broader exemptions for additional dwelling units; however, neither the DCA nor the Town's DC By-law contemplated a fourth additional unit. To be fair and consistent with the treatment of second and third ADU/ARU's, staff are recommending than any fourth ADU/ARU's be provided an exemption from Town development charges.

The value of the DC exemptions cannot be recovered from other forms of growth, and therefore require funding from the Town (primarily via property taxes). As shown in the graph below, there has been a growing trend in the value of annual funding required from the Town in relation to ADU/ARU's.





The amount of funding that is incorporated into the Town's property tax base for DC exemptions has not grown at a commensurate pace to the growth in ADU/ARU's, and therefore reserves have been utilized to manage the annual financial pressure. As the expansion in the number of allowable units on a property is expected to result in continued growth in ADU/ARU's within the community, the Town will need to incorporate additional funding into the property tax base in order to ensure that sustainable funding is available. The operating budget forecast, as presented through the 2024 Budget process, incorporates an incremental investment of \$0.5 million per year for DC exemptions beginning in 2025.

Later this year, staff will bring forward a report to Council that will outline resource considerations and any necessary by-laws and by-law amendments to support the oversight of ARUs and applicable emergency services requirements.

Respectfully submitted,

Jill Hogan Commissioner, Development Services

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Attachments

Appendix A - Draft Official Plan Amendment

Appendix B - Draft Zoning By-law Amendment

Appendix C - Track-Change Version of Draft Official Plan Amendment

Appendix D - Track-Change Version of Draft Zoning By-law Amendment

Appendix E - Comments Summary and Responses

Approved by CAO 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.