

City of Mississauga
Corporate Report



<p>Date: March 24, 2023</p>	<p>Originator's files: CD.06-INC</p>
<p>To: Chair and Members of Planning and Development Committee</p> <p>From: Andrew Whittemore, M.U.R.P., Commissioner of Planning & Building</p>	<p>Meeting date: April 17, 2023</p>

Subject

Official Plan Review – Update on the Increasing Housing Choices in Neighbourhoods Study

Recommendation

1. That the report dated March 24, 2023, from the Commissioner of Planning and Building entitled "*Official Plan Review – Update on the Increasing Housing Choices in Neighbourhoods Study*," under File CD.06-INC, be received for information.
2. That staff develop proposed Official Plan policies and zoning directions for accessory dwelling units and plexes and present them at a future public meeting in conjunction with the Official Plan Review.
3. That staff consult with stakeholders and the public on approaches to consolidate low rise residential zoning categories and report back to Council later this year.

Executive Summary

- This report provides an update on the City's ongoing efforts to expand low-rise housing options in Mississauga. The Increasing Housing Choices in Neighbourhoods (IHCN) Study explores the potential of existing Neighbourhoods to support a broader range of housing options such as garage conversions, garden suites, laneway suites and plexes as well as expanded opportunities for other forms of gentle infill.
- The Study also incorporates new provincial regulations that require Ontario municipalities to permit three dwelling units in a single detached, semi-detached or row house.
- Staff have developed preliminary draft Zoning and Official Plan recommendations for implementation of the afore-mentioned housing options.
- Final recommendations including draft Official Plan policies and implementing zoning will be brought forward later this year as part of the Official Plan Review Bundle 3.

Background

This study is being conducted as part of the City's Official Plan Review which is looking at expanding housing diversity.

On April 19, 2021, Council endorsed the report titled "[Official Plan Review – Scope of Work for Increasing Housing Choices in Mississauga's Neighbourhoods Study](#)". The goals of the study are to:

- bring the City's Official Plan policies into conformity with recent changes to *Planning Act* (Bill 108 – *More Homes, More Choices Act*, 2019), Growth Plan and 2020 Provincial Policy Statement
- increase the supply of ground-related housing units, including detached accessory dwelling units, through appropriate infill as-of-right zoning permissions
- expand opportunities to develop similar types of dwellings in low density areas (e.g. detached dwellings on smaller lots)

Since then, on November 28, 2022, Bill 23, *More Homes Built Faster Act, 2022*, received Royal Assent introducing several additional provisions to promote infill in Neighbourhoods which:

- mandate the as-of-right permission for up to three residential units on a lot containing a single detached, semi-detached or row house
- do not allow for new units built under this permission to have a prescribed minimum unit size or require more than one additional parking space
- exempt additional residential units in new and existing houses from development and community benefit charges as well as parkland requirements
- exempt developments of up to 10 residential units from site plan control

Additionally, on March 1, 2023 Council approved [Growing Mississauga: An Action Plan](#) which contains an action to reduce exclusionary zoning throughout Mississauga by allowing appropriate as-of-right gentle infill in low density neighbourhoods. Goal 1 Action 1 includes:

- update Official Plan to reflect Bill 23 provisions permitting 3 units per lot
- update zoning with appropriate setbacks, heights, coverages, emergency access, etc., to allow for additional units

Supporting Review & Studies

Smart Density, urban design consultants, were retained to illustrate and test new build gentle density prototypes (See Housing Options in Appendix 1 and Appendix 2 - *Smart Density Final Report dated December 2022*). The consultants tested six hypothetical typologies: garage conversions, garden suites, laneway suites, duplexes, triplexes and a four unit multiplex.

Parcel Economics, a financial analysis firm, was retained to provide insight into the financial feasibility of four identified residential infill housing development typologies (*garage conversions*,

garden suites, laneway suites and plexes) (see Appendix 3 - Parcel Economics Report dated October 19, 2022). The consultants observed that financial performance varied significantly across each of the four typologies, with the most promise exhibited by garage conversions and garden suites. These presented a desirable mix of: (i) relatively low initial cash equity requirements; (ii) quicker construction timelines; and (iii) decent revenue generating opportunities relative to upfront construction costs. The proponents of other housing types are likely to be more motivated by non-financial goals such as multi-generational housing to accommodate families or enabling an older family member to live in a ground-oriented or barrier-free unit.

It is important to note the financial analysis was premised on a new build scenario. Second and third units can sometimes be created in existing dwellings in a more cost effective manner if the current building design is reasonably adaptable from a Building Code standpoint (access, egress, separation etc.).

Other Research Considerations

- **Parking:** The provincial legislation stipulates that no more than one additional parking space may be required for an ARU. The City has already reduced parking requirements for secondary suites expecting them to share parking with the main dwelling unit. It should be noted that Transportation and Works staff is undertaking a street permit parking review which could expand more permit parking opportunities in Neighbourhoods in the future. This would provide staff more flexibility to reduce the on site requirements.
- **Sewer and Water Servicing:** The Region of Peel was engaged to conduct an analysis on the impacts of the new housing typologies on water and wastewater systems. The extent of the impact on the local and trunk water and wastewater systems is expected to be marginal. T&W staff and environmental engineering consultants have also been engaged to examine potential storm water impacts. The biggest impact on increasing runoff would be increasing on-site paving to accommodate additional parking.

Community Engagement

With the enactment of Bill 23 provisions permitting additional residential units, and the related growth related charge exemptions, the Planning and Building department is receiving several inquiries each week from residents asking about gentle infill options. Most inquiries are to allow an exterior garden suite in conjunction with a main dwelling to accommodate multi-generational living or an older family member.

Throughout the IHCN study, several tactics were employed to reach a range of stakeholders. An initial on-line survey was conducted between April 2021 and December 31st, 2021, to receive feedback on how housing choices in Mississauga could be improved while balancing other priorities such as affordability, neighbourhood character, infrastructure and parking. Once

the unit typologies and land use analysis were completed, a second online survey was conducted between June and August 31, 2022, to receive feedback on the conceptual renderings, and to gain insights into specific features such as parking, accessing the unit, yard space, and privacy. On June 23, 2021 a virtual community meeting was held as part of the Official Plan Review. In addition, the City hosted several on-line discussions with builders, non-profit housing producers, business organizations and social service agencies.

Our research and community engagement to date reveals that:

- There is a growing interest in ARUs to support multi-generational living, aging-in-place and as a mortgage helper;
- Gentle infill can make efficient use of existing infrastructure;
- The expected number of ARU units per year will be low, as this type of project yields low financial returns even at market rents;
- Property owners motivated by non-financial goals may find it difficult to secure financing and navigate the development process;
- Permitting ARUs as-of-right will expand ground-related housing options and achieve modest increases in supply, including the potential for affordable units, however not all new units will be affordable
- There is merit in expanding housing options in Neighbourhoods, even if units are at market rent, to address the needs of households where ground related housing is preferable to apartment towers
- Garden suites are best suited to properties where the existing residence occupies a lower lot coverage (e.g. 30% or lower) and can still maintain open space, trees and privacy on the site

Comments

Currently, 71% of the total residential land area in the Mississauga contains an existing single detached home. The City's Zoning By-law, like in many cities, is largely restrictive from a built form perspective. It often permits the redevelopment of existing single family properties with a larger single detached home but would prohibit the creation of a similar-scaled building with multiple dwelling units. This, is often referred to as, "exclusionary zoning".

However, there is movement across North America to broaden housing options in neighbourhoods through the introduction of other gentle infill housing forms and moving away from exclusionary zoning. Some of the benefits of gentle infill include the ability to:

- achieve greater diversity of housing so residents can remain in the same community through various stages of their life;
- provide more rental housing, including affordable units;
- improve socio-economic inclusion; and
- make use of existing municipal and school board infrastructure

Expanding Gentle Density Permissions for Additional Dwelling Units

Some of the housing options assessed through this study are mandated by the province while others are recommended by staff for Council consideration. The province requires municipalities to provide the owners of existing detached, semi detached and townhouse dwellings the ability to convert their dwelling into three units as-of-right. The three units could be in the main structure or alternatively one of the units could be in an ancillary structure and two in primary building. The city can still regulate built form standards through the zoning by-law and alterations are subject to the Building Code. This approach is referred to as permitting “Additional Residential Units” or ARUs which could be viewed as similar to the city’s existing second unit policy umbrella. The creation of three units in an existing dwelling may not result in a significant physical building change such as the plexes illustrated below.



Example of Plexes in Lakeview

While the Planning Act does not specifically speak to vacant residential lots (including demolitions), staff are recommending that three units be permitted in conjunction with new construction in all residential zones city-wide. This expands the benefits of gentle density to more situations while acknowledging that landowners could always build a single unit and convert it to three units after occupancy permit.

For context, Peel Region estimated in the order of 5% of future housing unit growth in the city could be in the form of ARUs (pre Bill 23).

A significant update is required to the Zoning By-law to allow for ARUs as-of-right. This includes a consideration of technical aspects, including but not limited to:

- a) the number of dwelling units permitted on various lot types (e.g. lots too small to accommodate for garden suites)
- b) appropriate type of residential uses/built form standards

- c) maximum dwelling size/gross floor area of the dwelling;
- d) lot size & setback requirements
- e) parking and driveway standards
- f) number and location of pedestrian entrances
- g) location of decks and balconies

Staff note the Province has removed municipalities' ability to regulate exterior design through site plan for developments for infill housing (less than 10 units).

Table 1 describes the gentle infill options staff considered and preliminary zoning recommendations. In all cases, the additional residential units are rental tenure and cannot be severed. A municipal scan of ARU official plan and zoning regulations that are either proposed or in-effect in other Ontario municipalities also helped inform the preliminary suggestions.

Table 1: Possible Forms of Gentle Density in Neighbourhoods

	Housing Option	Current Status	Changes Needed to Implement	Preliminary Zoning Recommendations	
1	Garden Suites¹	<p>Not currently defined in zoning by-law or Official Plan.</p> <p>Provincially mandated for detached, semi-detached and row house lots.</p> <p>Functionally, garden suites would not work in most condominium townhouse developments.</p>	<p><u>Update Official Plan policies:</u></p> <ul style="list-style-type: none"> • Add definition • Add policy that permits City-wide • Amend ‘second unit’ policies to ‘additional residential units’ and stating the maximum three units be permitted per lot – Note: this needs to be done for all new housing options <p><u>Update zoning by-law:</u></p> <ul style="list-style-type: none"> • Add definition • Add policy that permits City-wide • Add zoning regulations (see next column) 	<p>GFA</p> <p>Rear yard setback (interior lots)</p> <p>Rear yard setback (corner lots)</p> <p>Side yard setback (interior)</p> <p>Side yard setbacks (corner)</p> <p>Height</p> <p>Lot Coverage²</p> <p>Parking</p> <p>Setback to Principle Dwelling</p>	<p>Maximum. 51m² (550ft²)</p> <p>3.0m (9.8ft)</p> <p>2.0m (6.6ft)</p> <p>1.8m (5.9ft)</p> <p>4.5m (14.8ft)</p> <p>6.0m (19.7ft) under review</p> <p>10% for ARU or 40% all structures or 40% rear yard</p> <p>Shared with primary dwelling. No additional parking required</p> <p>1.5m (4.9ft)</p>

¹ A garden suite in this context refers to a permanent accessory residential unit in a rear yard. It is not to be confused with a garden suite permitted under Section 39.1(1) of the *Planning Act* which may be permitted for a temporary period of up to 20 years and is designed to be portable.

² Metric recommended from municipal scan, the Smart Density report is silent on lot coverage.

	Housing Option	Current Status	Changes Needed to Implement	Preliminary Zoning Recommendations	
2	Garage Conversions	<p>Not currently defined in zoning by-law or Official Plan.</p> <p>Provincially mandated for detached, semi-detached and row house lots.</p>	<p><u>Update Official Plan policies:</u></p> <ul style="list-style-type: none"> • Add definition • Add policy that permits City-wide <p><u>Update zoning by-law:</u></p> <ul style="list-style-type: none"> • Add definition • Add policy that permits City-wide • Add zoning regulations (see next column) 	GFA	Maximum. 51m ² (550ft ²)
				Setbacks	Shall adhere to existing zone regulations
				Height	Shall adhere to existing zone regulations
				Lot Coverage	No increase of existing footprint permitted
				Parking	Shared with primary dwelling. No additional parking required
3	Laneway Suites	<p>Not currently defined in zoning by-law or Official Plan.</p> <p>Provincially mandated for detached, semi-detached and row house lots.</p>	<p><u>Update Official Plan policies:</u></p> <ul style="list-style-type: none"> • Add definition • Add policy that permits City-wide <p><u>Update zoning by-law:</u></p> <ul style="list-style-type: none"> • Add definition • Add policy that permits City-wide • Add zoning regulations (see next column) 	GFA	Maximum. 51m ² (550ft ²)
				Rear yard setback	Shall adhere to existing zone regulations
				Side yard setback	0.9m (3ft)
				Height	6.0m (19.7ft)
				Parking	Retain existing spaces

	Housing Option	Current Status	Changes Needed to Implement	Preliminary Zoning Recommendations	
4	Up to three dwelling units in a single-detached home, semi-detached, or row house	<p>Currently, triplexes are only permitted in RM7 zones. Second units are already permitted everywhere in Mississauga provided they are contained within the building.</p> <p>New Provincial legislation mandates that up to three dwelling units are permitted as-of-right in detached, semi-detached and row house lots.</p>	<p>Update Official Plan to permit City-wide.</p> <p><u>Update zoning by-law:</u></p> <ul style="list-style-type: none"> Revise residential zones to permit up to three units in all single, semi, and row house zones Add zoning regulations (see next column) 	<p>GFA</p> <p>Setbacks</p> <p>Height</p> <p>Lot Coverage</p> <p>Parking</p>	<p>Shall adhere to existing zone regulations</p> <p>Shall adhere to existing zone regulations</p> <p>Shall adhere to existing zone regulations</p> <p>Shall adhere to existing zone regulations</p> <p>Staff are still reviewing recommended parking rates at this time</p>
5	More than three dwelling units per lot (Multiplexes four units or more)	<p>Currently, multiplexes are only permitted in RA (apartment) zones.</p> <p>No Provincial legislative requirement.</p>	<p>Staff are reviewing the appropriateness of allowing multiplexes in low rise areas in the Official Plan.</p> <p>No changes to the Zoning By-law are recommended at this time.</p>	<p>GFA</p> <p>Rear yard setback (corner lots)</p> <p>Side yard setback (interior)</p> <p>Side yard setbacks (corner)</p> <p>Height</p> <p>Lot Coverage</p> <p>Parking</p>	<p>Shall adhere to existing zone regulations</p> <p>7.0m (23ft)</p> <p>1.2m (3.9ft)</p> <p>4.0m (13.1ft)</p> <p>Shall adhere to existing zone regulations</p> <p>Shall adhere to existing zone regulations</p> <p>Staff are still reviewing recommended parking rates at this time.</p>

Collapsing Official Plan and Zoning Categories

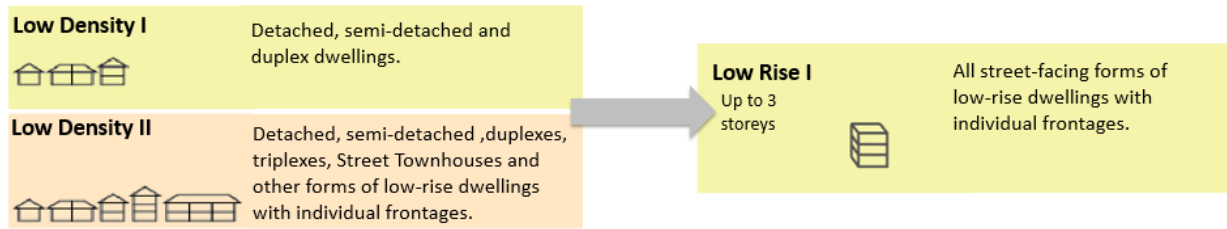
In response to Council direction, staff have also looked at ways to permit more forms of low rise dwellings in various areas. This could involve collapsing lot size and dwelling type regulations as described below.

Table 2: Collapsing Categories Options

	Housing Option	Current Status	Changes Needed to Implement	Preliminary Zoning Recommendations
6	<p>Relax certain minimum lot size thresholds</p> <p>e.g. permitting single detached lots with a minimum of frontage 12m (39ft) in areas zoned for a minimum lot frontage of 15m (49ft).</p>	<p>Not currently permitted</p> <p>No Provincial legislative requirement</p> <p>Council motion to explore</p>	<p>No significant Official Plan changes required.</p> <p>Comprehensive zoning changes required to implement. Would reduce number of rezoning applications that come to council for new developments.</p> <p>In existing communities, often involves severance requests.</p>	<p>This will require in-depth analysis and staff will need time to reconsider the zoning categories.</p>
7	<p>Expand range of ground-related housing types</p> <p>e.g. combine singles, semis and row houses with similar characteristics</p>	<p>Not currently permitted</p> <p>No Provincial legislation requirement</p>	<p>Implemented through consolidation of residential land use designations in Neighbourhoods in Official Plan.</p> <p>Zoning changes would be required, as was done in Lakeview West.</p> <p>In existing communities, often involves severance requests.</p>	<p>Staff may consider some combination of more semi-detached and row units in an expanded range of R zones in appropriate locations. This will require in-depth analysis and staff will need time to reconsider the zoning categories.</p>

Official Plan Housing Polices

As part of the Official Plan Review, staff are considering a new Low Rise 1 category be established that covers all of low-rise structures with individual frontages. This would capture all single detached, semi detached, street facing row houses, plexes and ARUs up to three units per lot.



This is more consistent with Bill 23 and would make it easier for owners to develop gentle density units. Prevailing zoning regulations would still apply.

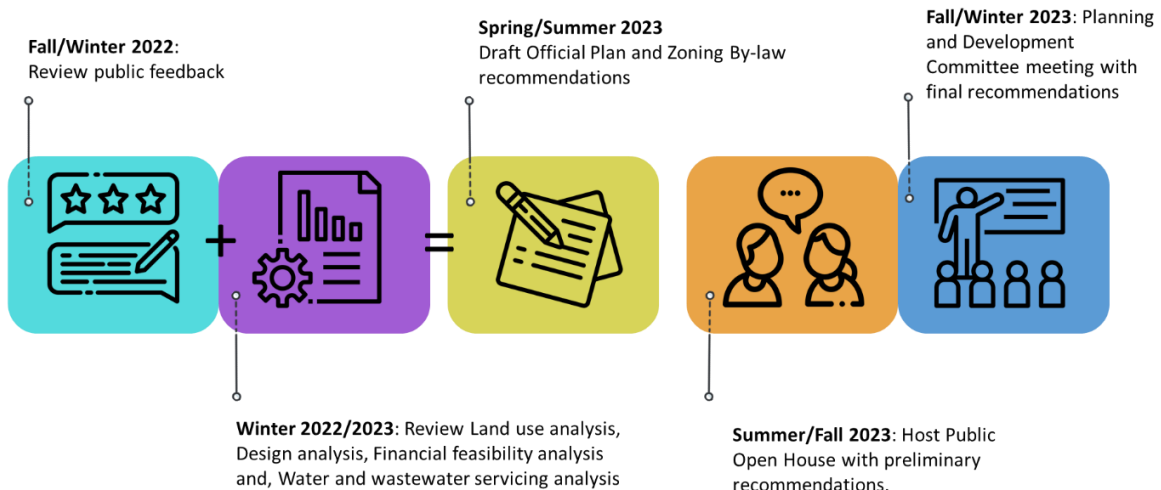
Zoning By-law Implementation

For Zoning By-law amendments, staff are proposing updates in two stages. A quicker update to capture the mandated Planning Act three unit requirements would be brought forward to Council this year. The comprehensive update that looks at collapsing low rise residential zones would occur concurrently but Council consideration would be in 2024. This review would require additional stakeholder and public consultation.

Next Steps & Future Directions

A public open house on the final infill housing recommendations will be held later in 2023 in conjunction with the Official Plan Review.

Current Status and Next Steps



Strategic Plan

The need for affordable housing originated from the Strategic Plan 'Belong' Pillar. More specifically, the Strategic Action 1: Attract and keep people in Mississauga through an affordable housing strategy.

Financial Impact

There are no financial impacts resulting from this report. Two external consultants, an urban design firm and a land use economics firm, were retained to provide input into the IHCN study at a cost of \$85,500. The source of funding is from the Growth Management Capital Project.

Conclusion

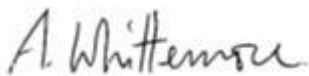
This report provides an update on the status of the *Increasing Housing Choices in Mississauga's Neighbourhoods* study. The project is in alignment with the Provincial directives under (Bill 108 and Bill 23) to permit more low-rise housing options while also addressing a variety of planning compatibility and fit issues in Mississauga's Neighbourhoods. Staff are in the process of finalizing the land use analysis required to bring forward the draft OPA policies and Zoning By-law amendments which will be delivered later this year.

Attachments

Appendix 1: Examples of Housing Options Tested by Smart Density Inc.

Appendix 2: Smart Density Final Report December 2022

Appendix 3: Parcel Economics Report dated October 19, 2022



Andrew Whitemore, M.U.R.P., Commissioner of Planning & Building

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