

City of Mississauga
Corporate Report



<p>Date: October 4, 2023</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>Originator's file: CD.06-INC (All Wards)</p>
	<p>Meeting date: October 23, 2023</p>

Subject

PUBLIC MEETING RECOMMENDATION REPORT (ALL WARDS)

Official Plan and Zoning By-law Amendments to Permit Additional Residential Units

File: CD.06-INC (ALL WARDS)

Recommendation

That the proposed amendments to Mississauga Official Plan and Zoning By-law 0225-2007, as detailed in Appendices 1 and 2 of the report dated October 4, 2023, from the Commissioner of Planning and Building, be approved in accordance with the following:

1. That an implementing Official Plan and Zoning By-law amendment be enacted at a future City Council meeting.
2. That notwithstanding planning protocol, that this report regarding the proposed amendments to Mississauga Official Plan and Zoning By-law 0225-2007, be considered both the public meeting and a combined information and recommendation report.

Executive Summary

- The goal of the Increasing Housing Choices in Neighbourhoods Study is to expand the range of low-rise housing types and tenures within Mississauga, including additional residential units (ARUs).
- ARUs contribute to the creation of complete communities by modestly increasing ground-related housing supply and making efficient use of existing infrastructure and services. The introduction of ARUs within neighbourhoods also provides opportunities for residents to incorporate multi-generational living, age-in-place and a means of supplementing mortgage income.

- To implement the legislative changes under the *Planning Act* mandating the permission of three units on a residential parcel, staff are proposing Official Plan and Zoning By-law amendments that introduce ARUs in a manner that is complementary to local context and interests.

Background

PROVINCIAL LEGISLATIVE CHANGES

Ontario is facing significant housing challenges and increasing supply is becoming a strategic priority for all levels of government. Bill 23, the *More Homes Built Faster Act, 2022* received Royal Assent on November 28, 2022 requiring municipalities to amend their Official Plans and Zoning By-laws to permit up to three units on a detached, semi-detached, or townhouse lot. Bill 23 was intended to promote gentle infill and diverse housing options within neighbourhoods to reach the goal of building 1.5 million homes over ten years.

The City is also undertaking its ten year review and update of the Mississauga Official Plan (MOP), which includes re-examining land use policies to respond to evolving trends as well as to bring MOP into conformity to Provincial regulations. Through the Official Plan review, amendments are proposed that will implement the Province's legislative requirements and prioritize providing a broader range of gentle infill housing options within low-rise residential neighbourhoods.

Although Bill 23 mandates, and does not allow any rights of appeal against an Official Plan and Zoning By-law permitting the use of three units on a residential parcel, municipalities still have broad authority to introduce policy or regulatory options that are complementary to local context and interests.

INCREASING HOUSING CHOICES IN MISSISSAUGA'S NEIGHBOURHOODS STUDY

In order to meet the Provincial requirements of Bill 23, and recognizing that low density neighbourhoods present an opportunity to create more diversity in the housing stock, allow aging-in-place, and address declining population in some neighbourhoods, Mississauga has taken the following steps:

- April 19, 2021: Council endorsed the report titled "Official Plan Review – Scope of work for Increasing Housing Choices in Mississauga's Neighbourhoods Study". The report proposed undertaking a study that would explore opportunities for increasing ground-related housing supply within Mississauga, including ARUs.
- April 17, 2023: Council received the report titled "Official Plan Review – Update on the Increasing Housing Choices in Neighbourhoods Study" for information. This report provided an update to the ongoing IHCN study, an overview of the preliminary Official Plan and Zoning By-law recommendations to implement the permission of a minimum of three units on a residential lot, and stated that multiplexes of four units or more would be reviewed in the near future.

The purpose of this report is to provide recommendations on the legislatively required three units. The meeting of Planning and Development Committee (PDC) on October 23, 2023 will constitute the statutory public meeting for the proposed amendments.

Comments

COMMUNITY ENGAGEMENT

The IHCN study commenced in April 2021 and included an extensive communication and community engagement process to help educate members of the public about gentle density, understand local context and interests, and test concept designs for different housing typologies. In total, 1,128 public survey responses were received, 63 members of the public attended a virtual meeting, and 12 stakeholder groups were consulted. Many of the key questions received by meeting attendees are answered below.

The feedback that was received from the public and stakeholders were taken into consideration as staff have developed the following recommendations. For further information regarding consultation, see Appendix 1, Community Engagement Section.

PROPOSED ZONING BY-LAW AMENDMENTS

To align with the requirements of Bill 23, staff are recommending that up to three residential units on detached, semi-detached, and townhouse lots be permitted in the following formats:

- Three units within the main dwelling; or
- Two units within the main dwelling and one unit in a separate building.

A comprehensive summary of the proposed Zoning By-law amendments can be found in Appendix 2 of this report.

1. How will new ARUs be compatible with existing neighbourhoods?

Staff are recommending an approach that aims to align the proposed regulations for ARUs with existing Zoning By-law provisions for detached garages or primary dwellings. For attached ARUs, there is no recommended change for the regulations, as they will be contained within the main dwelling. For detached ARUs (i.e. coach house), the regulations will be aligned with the standards for detached garages. Taking this approach allows visible growth in existing neighbourhoods that is gradual and relatively more familiar in scale to what is permitted and exists today within the City.

Appendix 3 includes simplified 3D renderings of one-storey and two-storey detached ARUs, with the Zoning By-law regulations as proposed in this report.

2. How will the streetscape impact for detached ARUs be limited?

Smart Density, urban design consultants, were retained to prepare infill housing concepts that were generally compatible with existing community contexts with most common Mississauga properties. It was determined that a one-storey detached ARU with a maximum size of 55 m²

(592 ft²) would be the most appropriate. This size of ARU would allow for a functional unit that would maintain privacy, while minimizing visual impact on the streetscape. Staff are proposing that a detached ARU can be a maximum of 10% of the lot area up to a maximum of 100 m² (1,076 ft²), if it is located on a larger lot (see Table 1). Detached ARUs will also be limited to locate within the rear yard of the primary dwelling, balancing both objectives of minimized streetscape impact and maximized privacy. The exception to this requirement would be corner lots zoned **R1**, **R2**, **R3**, and **R8**, which have shallow rear yards and increased exterior yards, and would be permitted to introduce a detached ARU within either.

One-Storey Detached ARU – Maximum Gross Floor Area & Height	
Maximum ARU size on lot with a lot area less than or equal to 550 m ² (5,920 ft ²)	55 m ² (592 ft ²)
Maximum ARU size on lot with a lot area greater than 550 m ² (5,920ft ²)	10% of the lot area, capped at 100 m ² (1,076 ft ²)
Maximum Height	Sloped roof: 4.6 m (15 ft.) Flat roof: 3.0 m (9.8 ft.)

Table 1: Maximum permitted size and height for one-storey detached ARUs.

Two-storey detached ARUs will be restricted to lots with a lot area greater than 750 m² (8,073 ft²) and through lots, and will require greater setbacks relative to one-storey detached ARUs. Staff recognize that larger lots can accommodate a bigger structure, and increased setbacks will mitigate streetscape impact and maintain privacy (See Tables 2 and 3). Additionally, through lots, as a result of having two property lines abutting a street or private road, will limit impact on adjacent properties and make efficient use of existing road access where available.

Two-Storey Detached ARU – Maximum Gross Floor Area & Height	
Maximum size for lot with lot area greater than 750 m ² (8,073 ft ²)	10% of the lot area, capped at 100 m ² (1,076 ft ²)
Maximum Height	Sloped roof: 6.8 m (22.3 ft.) Flat roof: 5.8 m (19 ft.)

Table 2: Maximum permitted size and height for two-storey detached ARUs.

3. How will greenspace be maintained or maximized with the introduction of detached ARUs?

Members of the public expressed a desire for maximizing open greenspace, to provide amenity area for residents and to create opportunities for landscaping. The proposed minimum rear, interior, and exterior setbacks will optimize the amount of space between the primary dwelling

and a detached ARU (See Table 3). This is intended to help create a contiguous, shared outdoor amenity area. Maximizing rear yard space also allows soft landscaping and tree preservation opportunities, helping to manage stormwater runoff onsite.

	One-Storey Detached ARU	Two-Storey Detached ARU
Minimum interior setback	0.6 m (2 ft.)	1.8 m (5.9 ft.)
Minimum rear setback	0.6 m (2 ft.)	1.8 m (5.9 ft.)
Minimum exterior side setback	2.5 m (8.2 ft.)	4.5 m (14.8 ft.)

Table 3: Required setbacks for a one-storey detached ARU and two-storey detached ARU.

4. Will there be adequate parking to accommodate the introduction of ARUs?

Staff recognize that requiring additional parking spaces could further deteriorate soft landscaping conditions on the site and note that members of the public expressed the greatest preference for shared parking arrangements. Further, the Zoning By-law currently requires two parking spaces for a detached, semi-detached, or townhouse dwelling. As such, staff are proposing that no additional parking spaces will be required for ARUs.

Staff within the Traffic Management and Municipal Parking Division are currently undertaking the Parking Matters 2.0 project which will provide recommendations in regards to the City's parking permit system, lower driveway boulevard parking permissions, parking fees, and digital parking solutions. These elements will likely take time to implement, but will assist in managing future residential area on-street parking demand.

5. How much would it cost to construct an ARU?

Parcel Economics, a financial analysis firm, was retained to provide insight into the financial feasibility of ARU typologies from the perspective of typical homeowners and/or developers. Financial performance varied significantly (see Table 4), but the greatest promise was exhibited by attached garage conversions and one-storey detached ARUs, as they presented a desirable mix of:

- relatively low initial cash equity requirements;
- quicker construction timelines; and
- decent revenue generating opportunities relative to upfront construction costs.

ARU Development Cost Estimates	
One-Storey Detached ARU (1-bedroom)	\$249,000
Two-Storey Detached ARU (2-bedroom)	\$424,000
Laneway Suite	\$395,000
Attached Garage Conversion	\$86,000 to \$92,000

Table 4: Cost estimates to newly construct various ARU typologies, October 2022.

Staff recognize that proponents of other ARU typologies could be motivated by non-financial goals, such as multi-generational housing and creating a ground-oriented and barrier-free unit.

6. Will ARUs contribute to rental or ownership housing stock?

ARUs are intended to increase the rental housing stock. New Official Plan policies are proposed that aims to restrict ARUs from becoming severable infill housing. The proposed ARUs would be rental in tenure to increase much needed low-rise rental housing options in communities. Severed ownership will not be permitted at this time as the need for new rental units is currently a greater priority and easier to implement. Please see Appendix 2 for further details regarding the proposed Official Plan amendments.

7. How many ARUs will be constructed?

Staff anticipate that changes to neighbourhoods will be gradual and will likely not lead to large shifts in the number of second and third units. The licensing of second units in Mississauga may serve as an indicator for the potential number of ARUs. Approximately 400 second units are introduced per year, although staff note these units may be easier to introduce in comparison to third units. In conjunction with the costs associated to construct an ARU, staff recognize that certain lots will not be able to accommodate an ARU. All ARUs require a building permit to determine Zoning By-law and Ontario Building Code compliance and certain housing types and lot configurations can present compliance challenges. Staff are intending to internally monitor and review the uptake of ARUs, which will also help to determine if further changes to the Zoning By-law may be necessary to respond to evolving issues or trends.

ARU PERMIT DRAWING GUIDELINES

To facilitate and streamline the implementation of ARUs, staff within the Building Division are working to introduce sample/typical ARU designs that could be utilized by the public. These drawings are intended to provide examples of detached ARU scenarios and serve as a guide for homeowners considering a detached ARU on their lot. The permit drawing guidelines are expected to be available to the public by Q1 of 2024.

LINK TO OTHER GENTLE DENSITY WORK

The table below shows the status of this project (see Table 5, line 1) in the context of other gentle density zoning initiatives that are underway by the City.

	Zoning By-law Review	Information Report Timing	Recommendation Report Timing
1.	Three units per lot (ARUs), as per Provincial requirement	April 17, 2023 Council	October 23, 2023 PDC
2.	"R" Zone consolidation	October 23, 2023 PDC	Q1 2024
3.	Multiplexes (four units or more)	Q1 2024	Q3 2024
4.	Expanded Street Townhouse Permissions	Pending experience with "R" Zone consolidation	---

Table 5: Gentle density zoning initiatives to increase housing choices within neighbourhoods in Mississauga.

PLANNING ANALYSIS SUMMARY

The *Provincial Policy Statement (PPS)* establishes the overall policy directions on matters of provincial interest related to land use planning and development within Ontario. It sets out province-wide direction on matters related to the efficient use and management of land and infrastructure; the provision of housing; the protection of the environment, resources and water; and, economic development.

The *Growth Plan for the Greater Golden Horseshoe (Growth Plan)* builds upon the policy framework established by the PPS and provides more specific land use planning policies, which support the achievement of complete communities, a thriving economy, a clean and healthy environment and social equity. The Growth Plan establishes minimum intensification targets and requires municipalities to direct growth to existing built-up areas and strategic growth areas to make efficient use of land, infrastructure and transit.

The *Planning Act* requires that municipalities' decisions regarding planning matters be consistent with the *Provincial Policy Statement (PPS)* and conform with the applicable provincial plans and the Region of Peel Official Plan (ROP). Mississauga Official Plan is generally consistent with the PPS and conforms with the Growth Plan, the *Greenbelt Plan*, the *Parkway Belt West Plan* and the ROP.

The proposed amendments are consistent with the *Provincial Policy Statement* and conforms to the *Growth Plan for the Greater Golden Horseshoe*, the Region of Peel Official Plan and Mississauga Official Plan. A detailed planning policy analysis can be found in Appendix 1 of this report.

Financial Impact

The City of Mississauga uses Development Charges and Cash-in-Lieu Parkland as revenue tools to collect funds, among other financial mechanisms. Along with changes to the *Planning Act*, the Province's Bill 108 and Bill 23 also introduced changes to the *Development Charges Act, 1997* and parkland contribution requirements. These changes exempt ARUs from development charges and any parkland contributions, in an effort to promote their construction.

Conclusion

There are many factors influencing housing attainability, however, lack of housing options and affordability remain at the forefront. The City plays an important role in creating a policy framework that works to encourage and expand the range of low-rise housing forms and tenures permitted in residential neighbourhoods. ARUs broaden the range of gentle infill housing options, modestly increase ground-related housing supply, and contribute towards complete communities by creating opportunities to age-in-place and for multi-generational living.

It is pertinent and timely that the City continue to expand housing options and tenures in Mississauga. In summary, the proposed Official Plan and Zoning By-law amendments are

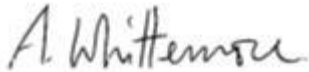
acceptable from a planning standpoint and should be approved.

Attachments

Appendix 1: Detailed Planning Analysis

Appendix 2: Proposed Zoning By-law and Official Plan Amendments

Appendix 3: Simplified 3D Renderings of Detached ARUs



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