



CITY OF HAMILTON
PLANNING AND ECONOMIC DEVELOPMENT DEPARTMENT
Planning Division

TO:	Chair and Members Planning Committee
COMMITTEE DATE:	September 18, 2018
SUBJECT/REPORT NO:	Amendments to City of Hamilton Zoning By-law No. 6593 to allow Secondary Dwelling units in Detached Structures for properties adjoining a laneway (PED16200(b)) (Parts of Wards 1, 2, 3 and 4)
WARD(S) AFFECTED:	Wards 1, 2, 3 and 4 (Parts Thereof)
PREPARED BY:	Edward John (905) 546-2424 Ext. 2359
SUBMITTED BY:	Steve Robichaud Director, Planning and Chief Planner Planning and Economic Development Department
SIGNATURE:	

RECOMMENDATION

That City Initiative **CI-18-F** to amend Section 19 regulations of Zoning By-law No. 6593 to allow secondary units within detached structures for those properties within the lower City (parts of Wards 1, 2, 3 and 4) adjoining a laneway, be APPROVED on the following basis:

- (a) That the Draft By-law, attached as Appendix “A” to Report PED16200(b), which has been prepared in a form satisfactory to the City Solicitor, be enacted by Council;
- (b) That the proposed change in zoning is consistent with the Provincial Policy Statement (PPS) 2014, conforms to the Growth Plan for the Greater Golden Horseshoe, 2017 (P2G), and complies with the Urban Hamilton Official Plan;
- (c) That in accordance with Subsection 34(17) of the *Planning Act*, no additional public meeting notice is required.

EXECUTIVE SUMMARY

This Report is a follow up to Report PED16200(a) - to amend regulations of Section 19 of Zoning By-law No. 6593 to allow secondary units within detached structures for those properties within the lower City (parts of Wards 1, 2, 3 and 4) adjoining a laneway.

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Report PED16200(a), together with any written submissions and input from delegations received at the Statutory Public Meeting of the Planning Committee held on June 19, 2018, was referred back to staff for consideration.

The purpose of this Report is to:

- a) To report back on submissions and comments received before, during and after the June 19, 2018 Statutory Public Meeting of the Planning Committee; and,
- b) To finalize the amending By-law to Zoning By-law considering the feedback received and to incorporate any additional requirements considered necessary through the process.

As a result of the above, no changes were required to the proposed By-law presented at the June 19, 2018 Public Meeting beyond formatting (Appendix “A” to Report PED16200(b)). Staff is however recommending producing informational material advising the public and proponents that continued use and maintenance of the alleyway is not secured or protected through this process and will incorporate this information in a guide to “Secondary Dwelling Units in Detached Structures” to be developed by staff to assist the general public and proponents in understanding the City’s zoning regulations and other requirements.

Alternatives for Consideration – See Page 9

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: Separate services to the secondary unit are the preferred option by Growth Management staff. This option would likely result in increased cost of development due to the requirement of road cuts. Joint servicing from the private lot would be considered more cost effective (saving between \$15,000 and \$20,000) however, based on discussions with Growth Management staff, this would have to be reviewed and approved on a case-by-case basis.

This Report recommends potential changes to the Development Charges By-law. The intent is to align the development charges with that of an accessory unit, notwithstanding that it is located wholly within a detached structure.

Staffing: N/A

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Legal: The Statutory Public Meeting was held on June 19, 2018 and the Public Meeting was closed.

HISTORICAL BACKGROUND

As discussed in Report PED16200(a), staff are seeking to permit secondary dwelling units within accessory structures for those properties that adjoin a laneway. The presence of the laneway serves to provide a buffer and separation from the typical backyard to backyard configuration of more typical lot fabric within the City. The laneway will not be permitted to be used for servicing and access cannot be guaranteed either by vehicle or by foot. Instead, access and servicing would be from the frontage of the principal property, as discussed in detail in Report PED16200(a).

Based on public feedback, staff's review of other municipal approaches, and consideration of the lot patterns and other existing conditions, staff are satisfied that the proposed regulations are appropriate and will secure a range of housing objectives. The new regulations are to be implemented as a pilot project, to be comprehensively monitored to evaluate the impacts of regulatory changes on built form.

On June 19, 2018, the Statutory Public Meeting of the Planning Committee was held to inform Planning Committee of the recommended changes to the regulations and to allow members of the public to make delegation before Planning Committee. The delegations, as well as any written submissions received before, at, or after the Public Meeting, were considered by staff in preparing the draft By-law which is attached as Appendix "B" to Report PED16200(b).

At the Public Meeting, four oral submissions (delegations) were received, each submission presented information in support of the proposed regulations.

In addition, at the June 19, 2018 City Council meeting, Council adopted the following additional/amended recommendations:

- “(b) That Report PED16200(a), together with any written submissions and input from delegations received at Planning Committee, be referred to staff for consideration and to be incorporated into a further report and amending by-law which shall also address specific options regarding ‘tiny homes’ to be presented to a future Planning Committee meeting;
- (c) That Corporate Services staff be requested to present Report PED16200(a) to the Development Charges Stakeholders Subcommittee for consideration when recommending policy direction for the 2019 Development Charges Study and in addition, bring forward for Council's consideration at the earliest possible date a

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standalone amendment to the Development Charges By-law to deal specifically with laneway-related housing developed in accordance with Report PED16200(a);

- (d) That, as part of the report back on a standalone Development Charges By-law amendment, staff include options for potentially retroactively applying any reduced Development Charges requirement, or benefit of any reduced Development Charges requirement, to recently completed laneway housing projects;
- (e) That the appropriate staff from Planning and Economic Development meet with staff from the Housing Division in an effort to build in incentive opportunities for some laneway and ‘tiny homes’ projects as affordable housing.”

All oral submissions and amended Recommendations have been considered by staff in finalizing the draft By-law attached to this Report and are discussed in the Analysis and Rationale for Recommendation section of the Report.

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Planning Matters

Report PED16200(a) reviewed the proposed new regulations to Section 19 of Hamilton Zoning By-law No. 6593 against provincial policy and the Urban Hamilton Official Plan (UHOP), including applicable secondary plans. As stated in that Report, the proposed changes conform to the policies of the UHOP. Permitted uses are not being modified. The changes to the conversion policies of Section 19 are intended to regulate height, massing and scale so that new secondary unit development is compatible with adjacent existing built form.

RELEVANT CONSULTATION

- Recycling and Waste Disposal, Public Works;
- Alleyway Management Strategy Working Group;
- Growth Management, Planning and Economic Development Department;
- Building, Planning and Economic Development Department;
- Community Safety and Planning, Healthy and Safe Communities; and,
- Corporate Services, Finance.

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Public Consultation

In accordance with the provisions of the *Planning Act* and the Council Approved Public Participation Policy, Notice of Public Meeting was advertised in the Hamilton Spectator on May 25, 2018.

Matters raised at the public meeting and received correspondence have been addressed within this Report.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The purpose of this Report is:

- Report back on the oral and written submissions received after PED16200(a) was finalized and released, as well as the submissions that were received on or after the June 19, 2018 Planning Committee;
- Make any necessary changes to the Draft By-law, attached as Appendix “A” to Report PED16200(b), to address submissions received and input from delegations received at the June 19, 2018 Planning Committee;
- Recommend that information be provided to the public to ensure they are aware that Public Works department are not responsible in all circumstances for the maintenance and servicing of municipal laneways and that further, the continued use and existence of said laneways is not guaranteed in the long-term;
- Provide update with respect to the Council approved additional / amended recommendations contained within Report PED16200(a);
- Detail the options for Tiny Homes that are facilitated through this amendment and potential future options and considerations;
- Highlight the separate and on-going process with respect to the Development Charges; and,
- Provide an update with respect to the potential range of incentives that could be provided to stimulate and support the creation of secondary units within Hamilton.

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1.0 Summary of Submissions Received – Key Comments

In total, there were four oral submissions received during the June 19, 2018 Planning Committee. All comments were supportive of the proposed draft by-law contained as Appendix “A” within Report PED16200(b).

1.1 Staff Response to Comments Received

No changes to by law needed.

2.0 Tiny Houses

Through discussion at the June 19, 2018 Planning Committee meeting the original Recommendation was amended such that it directed staff to provide options on securing and allowing for the creation of Tiny Homes within Hamilton.

2.1 Definition of Tiny Homes

Frequently, the distinction is made between small houses (between 400 sq ft (37 sq m) and 1,000 sq ft (93 sq m)), and tiny houses (less than 400 sq ft (37 sq m)).

As noted within the amending By-law (see Appendix “A” to Report PED16200(b)) the Gross Floor Area is expressed as a maximum 50 sq m as opposed to a minimum. The intent for the secondary dwelling units adjacent to laneways is to ensure the secondary dwelling units are modest in size to reduce the need for parking and ensure compatibility and protection of amenity that may otherwise be prejudiced with larger units. On this basis, it is considered that the proposed by-law provides a meaningful mechanism in which to encourage and support the creation of tiny homes.

In terms of the Tiny Homes movement, it is acknowledged that future opportunities for such units to be developed on either individual lots or to develop several on one lot would be constrained by current servicing provisions that seek to ensure each unit within the Urban Area is serviced individually by municipal services and not on a communal basis.

It is noted the Ontario Building Code (OBC) does regulate minimum standards for the size of detached dwelling units (by individual rooms) and a summary of these requirements are listed in the table below:

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Table 2.2 Minimum Floor Area under the OBC

	No Closets in Bedrooms (sq ft / sq m)	Closets in Bedrooms (sq ft / sq m)	Dining Room Combined with another room and with closets in bedrooms (sq ft / sq m)
Living Room	145 / 13.5	145 / 13.5	145 / 13.5
Dining Room	75 / 7.0	75 / 7.0	35 / 3.25
Kitchen	45 / 4.2	45 / 4.2	45 / 4.2
Master Bedroom	105 / 9.75	95 / 8.8	95 / 8.8
Bedroom	75 / 7.0	65 / 6.0	65 / 6.0
Bathroom*	40 / 3.7	40 / 3.7	40 / 3.7
Total	485 / 45	465 / 43	425 / 39.5

*Note that the building code does not specify the minimum area for a bathroom it only states that there has to be sufficient space to accommodate a water closet, lavatory and bathtub or shower. A typical bathroom size is 8 ft by 5 ft which would equal an area of 40 sq ft. The Zoning By-law does not determine the minimum size of dwelling units.

Notwithstanding this, as well as other larger planning related concerns such as character and compatibility, staff will explore this issue and report back to Planning Committee as part of a larger comprehensive review of the Residential Zoning process expected to be presented in 2019.

3.0 Development Charges (DC) exemptions

As raised within the amended Recommendations of Report PED16200(a) staff are reviewing the possibility of a standalone amendment to the Development Charges By-law to deal specifically with laneway-related housing and to explore the potential option to retroactively apply any reduced Development Charges requirement, or benefit of any reduced Development Charges requirement, to recently completed Secondary Unit projects.

Currently discussions are underway with staff from Financial Services and which will be Reported back to Council through a future Audit, Finance and Administration meeting.

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4.0 Public Works Laneway Concern Regarding Public Expectations

Staff have been liaising with Public Works representatives, in particular with regard to the cross departmental work being conducted in connection with the Alleyway Management Strategy Working Group. As detailed in Report PED16200(a), the proposed regulations are not intended to place any additional pressure on the alleyways with respect to their maintenance or access. Indeed, servicing is not permitted to be provided through the alleyway and instead to be facilitated through the frontage of the principal dwelling. The frontage of the principal unit will also be the means in which to provide parking (should the homeowner choose to provide), garbage pickup and fire access.

To continue and underscore this intent, staff will also be advising homeowners, the public and proponents through the review process of the following warning clause:

“The owner is advised that the approval of any building permit for a secondary dwelling unit in no means indicates that the use, access, maintenance or continued existence of the adjoining laneway is guaranteed”.

This information will be provided in the form of a guide to “Secondary Dwelling Units in Detached Structures” to be developed by staff to assist the general public and proponents in understanding the City’s zoning regulations and other requirements.

5.0 Financial Incentives

Financial Incentives within Community Improvement Plan areas represent an opportunity to encourage and facilitate strategic goals. Staff in consultation with Housing Services will, under separate cover, provide a response to financial incentives geared towards creating and protecting different forms of affordable housing. It is considered incentives aimed at increasing the supply of affordable housing in the rental market which could include secondary dwelling units such as those permitted within this report, will be included in the future study. Staff will seek to report back in the first quarter of 2019.

6.0 Monitoring Program

As detailed in Report PED16200(a), City Initiative CI-18-F is a pilot project, intended to introduce a series of regulations that are to be comprehensively monitored to evaluate the impacts of regulatory changes on the built form regulations concerning secondary dwelling units detached from the principal dwelling and to assess the ease of administering the regulations. The monitoring program will be undertaken over an 18 – 24 month period as part of the residential zoning project.

7.0 Next steps

It is noted that the proposed By-law changes represent part of a larger more comprehensive approach to innovative housing solutions within the City of Hamilton. Additional work will be required to review the potential for secondary dwelling units, and in particular, secondary dwelling units within accessory structures to be permitted City wide and, further, that the ability to sever and create small lot homes be explored.

ALTERNATIVES FOR CONSIDERATION

- Option 1: Planning Committee / City Council could choose alternative performance standards.
- Option 2: Planning Committee / City Council could table this Report and direct any future changes to be included in the new residential zones for Zoning By-law No. 05-200.
- Option 3: Planning Committee / City Council could recommend the changes proposed not be approved. The existing conversion policies of By-law No.6593 would remain in effect.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community.

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” – Draft Zoning By-law Amendment to Zoning By-law No. 6593

EJ:mo