



Expanding Housing Choices and Improving Affordability

Discussion Paper

WSP Canada Inc. | July 31, 2024

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1. Introduction

1.1 Background to the Study

Municipalities across Ontario and Canada are experiencing an urgent need for more housing choices that will better meet the needs of residents and provide more affordable options for residents. Currently, housing opportunities in the Town are limited by existing outdated zoning regulations. Over 80% of housing units in the Town of Tecumseh are single detached houses, but there is a growing need for a wider range of unit types, including smaller homes, to serve different income levels, an aging population, and other needs. A survey conducted in October 2023 and commissioned by the Windsor-Essex County Association of Realtors found that the number one concern for residents is the availability of affordable housing.

What is the Housing Accelerator Fund?

The Federal Government established the Housing Accelerator Fund (HAF) with \$4.4 billion of grant money to encourage and support municipalities in creating new affordable housing. Administered by the Canada Mortgage and Housing Corporation (CMHC), municipalities were asked to apply for grant funding by the Summer of 2023 with the condition that they could commit to the initiatives in the Housing Action Plan (HAP). One of those initiatives is to allow for increased density and support more affordable housing in Tecumseh's residential neighbourhoods.

In March 2024, Tecumseh's application was successful. One of the conditions that CMHC is placing on this funding is to commit to studying expanding housing options in neighbourhoods, including the commitment to study the option of permitting up to four units as of right as part of all low-density residential districts.

Tecumseh and Essex County have recognized the need for more affordable housing and are working towards addressing it. Regional and Local Official Plans forecast a need for more housing, the 10-year Regional Housing and Homelessness Plan has a goal to sustain and expand affordable housing supply. Additionally, Tecumseh's Housing Action Plan have set the goal of providing more housing, improved housing affordability, and to provide a more diverse stock of housing to support residents through all stages of life. The Town of Tecumseh's Official Plan also establishes permissions for a wider range of unit types than are currently permitted by the Zoning By-law. These documents are discussed further in the next section of this Discussion Paper.

Governments across Canada and at all levels are making housing a priority and are implementing various policies and programs to support local municipalities in meeting their housing goals. The Province of Ontario has recently adopted legislation that requires local municipalities to permit, at minimum, three housing units on every lot. This change allows, for example, a basement apartment and a detached tiny home in the backyard in conjunction with a single detached house. The Federal Government has established the Housing Accelerator Fund (HAF) to provide grant money to municipalities that can

demonstrate a commitment to addressing the need for housing.

Tecumseh successfully applied for HAF funding and is now working to demonstrate its commitment to address the need for housing. This Study is focused on how to expand housing choices by

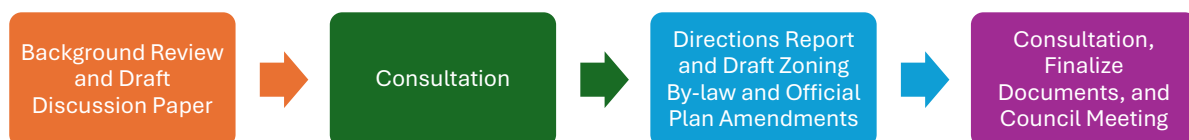
permitting more housing types in existing neighbourhoods and in new greenfield neighbourhoods through updated regulations in the Zoning By-law and revised policies in the Official Plan. This is not only an opportunity to fully explore and understand how the new provincial requirements can best be applied in Tecumseh, but also an opportunity to explore whether the provincial requirements are simply a starting point. This Study will be evaluating a broad range of opportunities for further implementing the provincial requirement into the Town's Zoning By-law and Official Plan, and for exploring the possibility and conditions for permitting up to four residential units on lots in existing and in new greenfield neighbourhoods. This Discussion Paper is the starting point for the Study, which will include broad consultation with the public and stakeholders, a Directions Report, and ultimately recommend changes to the Tecumseh's Official Plan and Zoning By-law.

1.2 Study Process

The work of this Study is divided into four tasks (see **Figure 1**):

1. This Discussion Paper has been prepared to provide a resource and a starting point for community discussions about expanding housing options in the Town. This Discussion Paper provides a summary of case studies from across the country, and information and illustrations respecting the various types of housing under consideration.
2. Following the completion of the Discussion Paper, the Town will collect feedback from the community, through a Public Open House, meetings with key stakeholders and interested persons, a Council meeting, and an online survey.
3. Using the feedback collected through community and stakeholder consultation, a Directions Report will be prepared to identify the recommended opportunities for expanding housing options. The Directions Report will assess the specific impacts and housing outcomes associated with various regulatory options. Draft Official Plan and Zoning By-law Amendments will be prepared to implement the recommendations of the Directions Report.
4. The proposed Directions Report and the proposed Official Plan and Zoning By-law amendments will be brought to the Tecumseh community and Town Council for consultation and feedback, after which they will be refined and presented for Council adoption.

Figure 1: Study Process



1.3 Objectives of the Study

Tecumseh is considering ways to update the Zoning By-law and the Official Plan to permit a more balanced range of housing options within existing and new greenfield neighbourhoods. A key component of this study is to undertake a comprehensive review and analysis from Ontario, Canada-wide, and International municipalities to identify best practices for zoning regulations that allow up to 4 housing units as part of low density residential districts, including within new greenfield districts and as part of existing established residential neighbourhood contexts, with a focus on communities that have an existing suburban built form and are part of a larger metropolitan area.

Illustrations are provided in this Discussion Paper to describe what constitutes duplexes, triplexes, fourplexes, and other forms of small-scale “missing middle” housing types so that the study participants have a clear understanding of what these housing types look like. The Directions Report will contain more specific examples and illustrations of how these units can fit into Tecumseh’s existing and new greenfield neighbourhoods.

This Study will consider issues such as compatibility, setbacks, parking needs, existing municipal infrastructure like roads, and the existing housing stock. The focus of this study is to look at how Tecumseh’s existing and new greenfield neighbourhoods could adapt and evolve to allow for a broader range of size and type of housing unit while keeping what makes Tecumseh’s neighbourhoods special and what makes the Town so desirable to live in. The scope of this Study is to find ways for regulations to support more flexible housing development within existing and new neighbourhoods and provide clear guidance for how development can meet Tecumseh’s housing goals and the housing objectives and requirements being established by senior levels of government.

The intended outcome of the Study is anticipated to be an update to the Town’s land use permissions and regulations to support the following objectives:

1. Increase the diversity of the Town’s housing stock, especially smaller one- or two-bedroom units.
2. Increase the number of units which are attainable for low- and middle-income households.
3. Increase the number of rental units in the Town to offer more housing opportunities for those not able to enter the ownership market.
4. Support young families and households looking to enter the ownership market or offset existing ownership costs by increasing the number of homes with additional residential units that can help reduce overall housing costs.
5. Allow people to age in place and remain in their existing neighbourhoods, and increase the supply of housing to suit the needs of seniors and others who wish to downsize or require an accessible or low-maintenance housing unit.

2. Study Drivers

This Study to identify opportunities for expanding housing choices was initiated to respond to various trends in housing, and in response to Provincial and local policy requirements. This section reviews some of the key reasons why the Town needs to look at opportunities to expand housing choice and improve affordability.

2.1 What are the Key Affordability Challenges Affecting Tecumseh?

Tecumseh's Housing Action Plan was prepared in 2023 and provides detailed context regarding housing and affordability challenges in the Town. Some of these challenges are summarized as follows.

Access to affordable housing is the number 1 issue for many people in Windsor-Essex¹. Two important reasons why housing prices are particularly expensive in Tecumseh include 1) there are not enough new housing units to house everyone who wants to live here, and 2) most of the existing housing supply consists of single detached houses, which are, on average, the largest and most expensive type of housing compared to semi-detached housing, duplexes, triplexes, townhouses, and other multi-unit housing.

Broadly speaking, “affordable housing” means different things for different people and can be defined differently by various governments and organizations. Affordability can also change as a person moves from one life stage to the next. The most common definition for what constitutes “affordable housing” is housing that costs no more than 30% of household income, whether that is the cost of rent or mortgage payments. However, the definition may not capture the whole picture around what individuals could consider “affordable”.

There is a lack of diverse housing choices. As of 2021, the vast majority of housing in the Town was in the form of single detached houses. Tecumseh has little of what is commonly called “missing middle” housing, i.e., units in buildings larger than a single detached or semi-detached house but smaller than an apartment building over five storeys. Additionally, there are not many opportunities for renting, a type of tenure that has a lower barrier to entry than ownership and is often less expensive. Only 11.5% of households are renters, which is one third of the average for all of Canada.

New homes in new neighbourhoods are costly to build. Tecumseh's Housing Action Plan highlights that the number of new housing units being built every year has fallen. Prior to the year 2000, an average of just over 200 new homes were built every year. Since 2000, the lack of infrastructure in greenfield areas is a constraint to new development, and in the past 10 years, the average number of new homes is just 79 new homes built per year. The development of new housing faces challenges such as labour shortage, increased cost of building supplies and labour, high cost of land, and other factors.

¹ [Survey of Residents Living in Windsor-Essex – WINDSOR-ESSEX COUNTY ASSOCIATION OF REALTORS® \(windsorrealstate.com\)](https://www.windsorrealstate.com)

The cost of land and the cost of providing services such as water, roads, sewers, stormwater management and utilities to new neighbourhoods is increasingly expensive and has driven up the cost of new homes. As such, providing for a wider range of housing forms within existing neighborhoods and promoting a wider range of unit types to be built in new neighbourhoods can provide a much more cost efficient form of housing, which can help reduce the price of homes. Consider for example, that an attached townhouse unit can be built on a lot that is half the size of a lot that is required for a single detached house. The cost of land and the cost of providing services is greatly reduced when denser forms of development are constructed.

Housing is expensive. The average new single detached house in 2021 cost \$1,265,000, up 175% from 2011. This average sale price is more expensive than neighbouring Lakeshore, LaSalle, Windsor, as well as other municipalities in Southwestern Ontario like London, St. Thomas, and Chatham-Kent. While Tecumseh has higher median household incomes than the Canadian median, over thirty percent of renter households spend more than thirty percent of their income on housing (i.e., are in housing that would be considered unaffordable by typical metrics). The high cost of homes also affect affordability for home owners, as mortgage payments on the current average single detached house price would typically exceed the affordability threshold for a household with median income. Further, recent increases in interest rates have driven up mortgage payments and created a significant affordability challenge for many owned homes.

The Town is growing and its demographics are changing, and this means that housing needs are changing. According to forecasts by the County of Essex², the population of the Town of Tecumseh is forecast to grow from 24,000 in 2021 to up to 42,300 by 2051. Access to job opportunities across the Windsor-Essex region, ample recreational activities associated with the Lake Erie, Lake St. Clair and Detroit River shorelines, and the surrounding countryside with its farming character are all key draws to the Town. This growth, however, will be coupled with an aging population: as the Baby Boomer generation grows, the number of people over 55 years old has been steadily growing since 2001, while the population under 34 has been shrinking.

As families in single-detached houses age and parents become empty nesters and retire, many are facing a difficult choice: downsize and move into smaller units or remain in their homes and age in place. Downsizing, while bringing existing housing back onto the market, will drive demand for smaller housing types. The County has noted in its recent growth management work that discussions with local builders highlighted an increasing demand for townhouses and low to mid-rise apartment style housing geared to empty-nesters³. Aging in place is also rising in popularity, according to recent research undertaken by the Canada Mortgage and Housing Corporation (CMHC)⁴. Permitting the flexibility to create additional units and increasing housing supply can support aging in place (i.e., by allowing for more units per lot).

Tecumseh, like the rest of the County, is facing a decreasing population of young people. Attracting people under 40, who face barriers to owning housing and who may have different housing needs

² Watson & Associates. "Growth Analysis Report: Essex County". October 2022.

³ Watson & Associates. "Growth Analysis Report: Essex County". October 2022.

⁴ CHMC Housing Market Insight Report, November 2023

compared to their parents' generation requires building of a broader range of housing types and sizes, and at different price points.

2.2 What Does the Province Require with Respect to Housing Choices?

In November of 2022, the Province of Ontario made changes to the *Planning Act*, making it a requirement of municipal zoning by-laws to permit up to three residential units anywhere that a single detached house, a semi-detached house, or a townhouse is permitted. One feature of this change is that where zoning does not meet this minimum standard (for example if the zoning by-law has not been updated), that part of the zoning is not considered to apply. To avoid confusion, it is important that Tecumseh's Zoning By-law be updated to, at the minimum, reflect the provincial requirements.

As such, three dwelling units are currently permitted as-of-right in the Town on any urban residential lot. Specifically, the three units required to be permitted by the *Planning Act* can either be in the main house (i.e., the primary unit and two additional residential units, or "ARUs") or alternatively, one additional unit can be in an accessory building (e.g., a garden suite, tiny home or coach house in the rear yard).

What is the Planning Act?

Ontario's *Planning Act* is Provincial law. The *Planning Act* is what gives municipalities the tools to regulate land use and development. The ability to pass and the types of matters addressed by the Official Plan and the Zoning By-law are indicated under the *Planning Act*. The *Planning Act* also has some specific expectations, such as requiring that municipalities allow at least 3 housing units on every lot where a single detached house, semi-detached house or townhouse are permitted.

2.3 What is the Official Plan and how does it Support Expanding Housing Choices?

The Official Plan is the high-level land-use plan for Tecumseh, and it establishes growth forecasts and development principles and policies that are implemented through zoning. It forecasts a need for an additional 4,377 dwelling units by the year 2045, which would mean building over 850 new homes every 5 years – just below the level of home-building in the 80s and 90s. The Official Plan sets out goals for housing, including to develop a greater variety of housing types, and to encourage residential intensification in areas already serviced by a full range of municipal infrastructure. There is a need to update the zoning by-law to implement these Official Plan policies and consider allowing for a wider range of housing forms.

It is intended by the Official Plan that a wider range of housing options be provided in the neighbourhoods. However, the zoning by-laws are currently very limited and only permit single detached houses along with up to two additional residential units, with one being permitted within the house (e.g., a basement apartment) and one in a detached building in the back yard.

Many of the policies of the Official Plan are for the purposes of ensuring that conflicts do not occur between land uses, to ensure they are compatible. However, the Official Plan makes the distinction

that “land use compatibility does not mean “the same as” but to “coexist harmoniously with one another.”

2.4 What is the Zoning By-law and how does it Affect Housing Choice?

A zoning by-law is a set of regulations that describes the uses (e.g., residential), the types of housing forms (e.g., detached houses), the location of buildings, the size and height of buildings that are allowed on a lot, amount of landscaped open space to be provided, and the off-street parking spaces that are required. Zoning by-laws implement the policies of the Official Plan. The Town’s Zoning By-laws define specific land uses and permits and restricts their development in certain areas. Zoning by-laws are prepared and enforced by municipalities. The zoning by-law can be amended by way of an application to allow a use or a development that is not currently permitted. When a zoning by-law amendment is received by the Town, it is reviewed against the policies of the Official Plan. Zoning By-laws must “conform” to the policies of the Official Plan, meaning that they should be similar and the zoning by-law should not allow uses or development that is not contemplated by the policies of the Official Plan.

The Town administers three separate zoning by-laws applying to the former municipalities that now comprise the Town of Tecumseh since the former municipalities were amalgamated. Currently, the Zoning By-law contains some constraints to providing a wider range of housing choices. Since the Zoning by-laws were originally passed in the 1980s-1990s, many of the standards and concepts are outdated. While the zoning by-laws have been amended from time to time, they have not been subject to a thorough review process. As of the time of completing this Discussion Paper, the Town is currently completing a comprehensive Zoning By-law Review, in which the three by-laws will be merged into one and modernized to implement the Official Plan.

Additional context about the zoning by-law is provided in conjunction with the Housing Type Information Sheets provided in Section 5.

3. Housing Types and Terminology

This section reviews and illustrates the housing terminology used in this Discussion Paper. This section reviews some of the key types of houses and what they look like. Note that terminology varies between government documents, and will also vary according to an individual's personal knowledge and understanding, so this section is intended to help participants in the Study speak the same language about housing.

3.1 Housing Tenure Terminology

The following definitions help clarify some of the terminology used to describe tenure, as some of these terms are often misunderstood.

Tenure

Tenure refers to whether a housing unit is owned by the occupants of the household, or whether the housing unit is rented out to other occupants.

Freehold

Freehold is a type of ownership in which the housing unit or development in which the owners are in complete possession of the house/building and the associated land.

Condominium

A condominium is a type of ownership in which the individual housing units are owned by individual households/owners, but there is a plan of condominium in place to address common elements of the development, such as common hallways, parking lots, etc. Condominium does not refer to any specific form or type of housing.

Rental

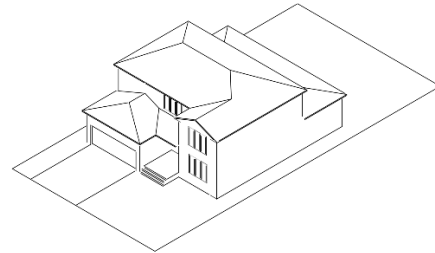
Rental is a form of housing tenure, in which a housing unit is rented out to the occupants. Any form of housing can be rental housing. A freehold home can be rented by its owners to other occupants and likewise an individually owned condominium unit can also be rented out.

3.2 Housing Types

There are a wide variety of housing types already existing in the Town. This section identifies the different types of housing forms.

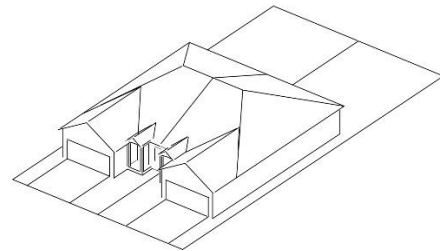
Single Detached House

A single detached house is a completely separate house sitting on its own lot. A single detached house is allowed to include up to two “additional residential units” on the lot (refer to the separate definition below). Today, the vast majority (over 80%) of residences in the Town are single detached houses.



Semi-Detached House

A semi-detached house is one of two residential buildings that are attached and share a vertical separation wall on the lot-line with another semi-detached house. Two semi-detached houses can be located on a single lot, but they are usually divided with each unit under separate ownership and with separate water/sewer connections.

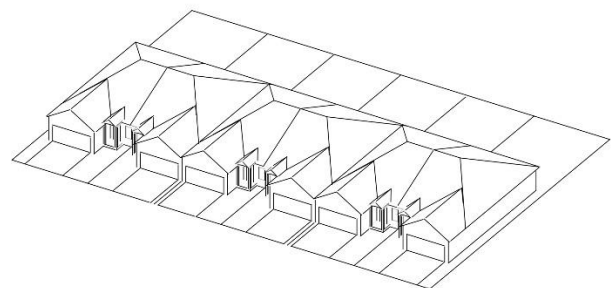


Townhouse

A townhouse is one of three or more residential buildings that are attached to one another via shared vertical dividing walls. The term ‘townhouse’ can sometimes refer to the connected row of houses as a whole or to each individual townhouse unit. Townhouses may also be referred to as “Rowhouses”.

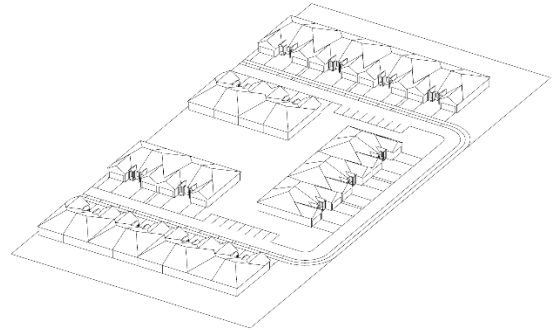
Townhouses can take many different forms. Each townhouse unit may be located on an individual lot (freehold ownership) or it may be part of a condominium. Townhouses can also be located on a larger single site where all the units are owned by one business, and all of the units are individually rented out (referred to as a block townhouse).

Street Townhouse (Each Townhouse is on a Separate Lot)



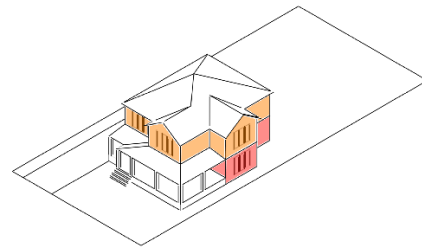
When townhouse developments form part of a condominium, they are sometimes referred to as cluster townhouses (or block townhouses) but they would appear similar to freehold townhouses, except that there are elements of the development that are commonly owned by all owners of the condominium, such as roads, parking areas, and amenity spaces. Cluster townhouses can also take the form of purpose-built rental, where every unit is rented and the overall development is owned by one organization who maintains the units and the property.

Block or Cluster Townhouse (All townhouses are part of one lot)



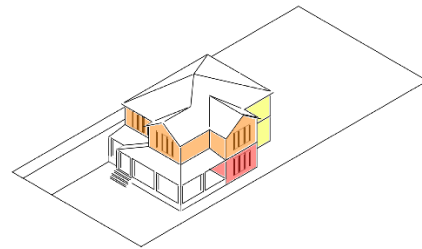
Duplex

A duplex is a term used to refer to a two-unit house on a lot. The units are separated horizontally. When units are divided vertically with a common wall, they are typically referred to as a semi-detached house, as defined above.



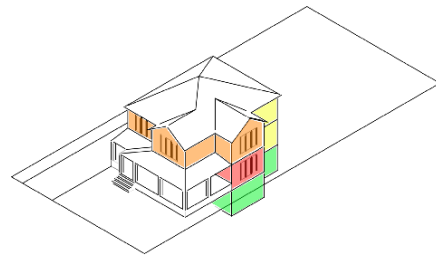
Triplex

A triplex is a detached building on a lot that contains three dwelling units and where the units are divided horizontally or a combination of horizontal and vertical divisions. Access to the units is usually provided by exterior private doorways to each unit. Note that when three attached units are divided vertically by shared common walls, they are usually referred to as townhouses.



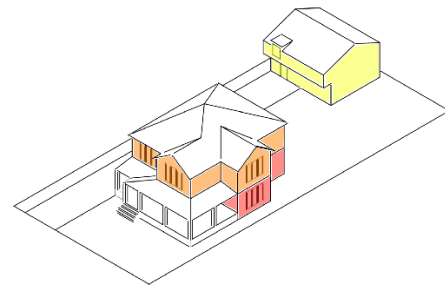
Fourplex

A fourplex is usually defined as any detached building that contains four separate housing units. The units may be accessed via private exterior doorways, or there may be a common hallway. Note that when four attached units are divided vertically by shared common walls, they are usually referred to as townhouses.



Additional Residential Unit

An additional residential unit refers to a housing unit that is “additional” to a single detached house, semi-detached house, or a townhouse. Currently, the Town allows up to one additional residential unit within any single detached house, semi-detached house or townhouse (e.g., a basement apartment). An additional residential unit is also permitted as a separate building, such as a “garden suite” or a “tiny home” in the backyard. However, the Province now requires that at least a total of 3 units be permitted on any lot in conjunction with these forms of housing, so there is a need to update the zoning accordingly.



Apartment Building

An apartment building is a single building consisting of more than four individual apartment units with common walls and/or floors dividing the units. The units are accessed via common hallways.

Example of a Low Rise Rental Apartment Building



4. Case Studies

Municipalities in Ontario, across Canada and in the United States are addressing the need for more affordable housing options by permitting a broader range of housing units in residential neighbourhoods. The way in which municipalities implement these increased permissions varies. Many municipalities have amended zoning to permit more units in the same building footprints and lot sizes that were previously permitted for fewer dwellings, while some are permitting more units and amending zoning to provide flexibility for lot and building sizes.

As noted in Section 2.2 of this Discussion Paper, Ontario municipalities are required under the *Planning Act* to permit up to three housing units on lots that permit single detached houses, semi-detached houses, and townhouses (“three-unit zoning”). Many Canadian municipalities are studying options to permit up to four (or more) units on a lot. Implementation of these permissions varies, as does the process by which municipalities consult and develop the permissions.

This section examines a selection of case studies from across Ontario, Canada, and the US to examine how a variety of jurisdictions have approached expanding housing options in residential neighbourhoods. While unique solutions need to be explored for Tecumseh, it is valuable to consider case studies as a source of guidance and to learn from the work that other municipalities have already undertaken.

4.1 Case Studies from Other Ontario Municipalities

Many municipalities across Ontario are experiencing the same or similar housing affordability challenges that exist in Tecumseh. Following are examples of municipalities that have recently conducted updates to their zoning and policy to consider expanded housing opportunities.

Town of Essex

On May 21, 2024, Essex Town Council considered a Zoning By-law amendment that would implement three-unit zoning and bring the Town’s Zoning By-law into conformity with the *Planning Act*. Prior to the amendment, the zoning by-law had three low-density residential zones: the R1 permitted single-detached houses only, the R2 zone permitted single detached houses, semi-detached houses and duplexes, and the R3 zone permitted duplexes, semi-detached houses, and townhouses. Aside from permissions for temporary garden suites, there were no existing permissions for additional residential units.

The zoning amendment introduces new permissions for three-unit zoning for all single-detached houses, semi-detached houses, and townhouses in all residential zones. This includes up to three units within the principal building and up to one unit in an accessory building. In addition to permitting the Provincial minimum for ARUs, the amendment reduced the minimum lot requirements for all low-density housing types and expanding permissions in areas that currently permit only single-detached houses. The R1 zone now also permits semi-detached houses; the R2 zone additionally permits townhouses; and the R3 zone permits single-detached houses with additional residential units. For both the R1 and R2 zones, the minimum required lot width is being reduced by three metres and the minimum lot area is being reduced for each housing type. The

Town of Essex has gone above and beyond the provincial requirements to permit three-unit zoning, and has made it easier to building housing on smaller lots as well.

Town of Lasalle

The Town of Lasalle’s new Zoning By-law was completed in August 2021, and was updated to enable a wider range of unit types across Residential zones, subject to criteria. The Residential One (R1) zone, the lowest density residential zone, allows for both single detached and semi-detached dwellings subject to minimum lot widths of 15 metres and 9 metres, respectively. The Residential Two (R2) zone permits single detached, semi detached, duplex, triplex, fourplex and street townhouse dwellings, subject to meeting lot width and lot area requirements which are similar to the R1 zone requirements. In accordance with Provincial requirements, the by-law also includes permissions for additional residential units. The other Residential Zones (R3 and R3) are devoted to higher density residential forms, such as block townhouses and apartments. The Town of Lasalle’s new Zoning By-law serves as an example of a nearby municipality that has enabled a wider variety of housing forms as-of-right across all residential districts.

City of London

On September 13, 2023, the City of London Ontario was the first municipality to reach an agreement to secure a grant through the Housing Accelerator Fund (HAF), and one of the requirements was to implement four-unit zoning throughout low-density residential zones. By this time, the City had already implemented three-unit zoning, which permitted up to three units in all residential zones, or a maximum of two additional residential units.

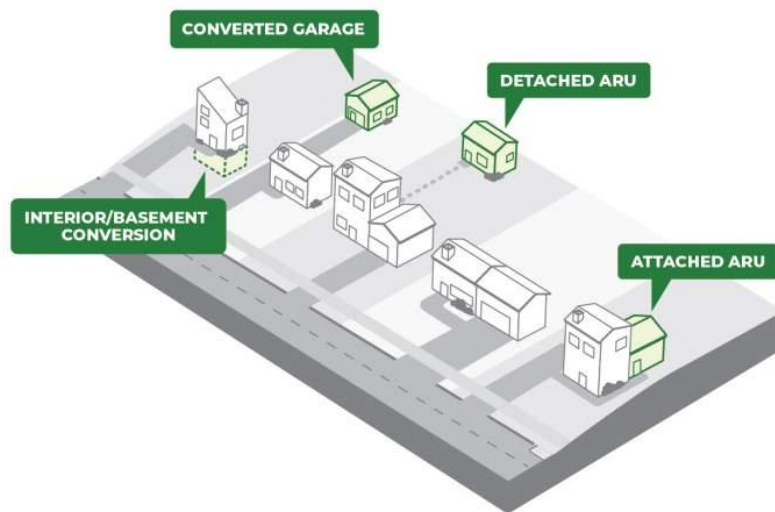


Image Source: City of London

On October 3, 2023, less than one month after securing the HAF grant, the City adopted a simple amendment to change the number of permitted additional residential units per lot from “two” to “three” units. This amendment was only a temporary measure, as on January 30, 2024, Council adopted another amendment that modified the regulations and expanded permissions for additional residential units. The January amendment permitted additional residential units within

duplexes, triplexes, and converted dwellings, so long as there are no more than four dwelling units on a lot. This amendment also relaxed restrictions related to number of bedrooms, which was another commitment made under the HAF agreement.

The zoning provisions for detached additional residential units permit up to two additional residential units within one accessory building, and require compliance with setbacks from the rear, and side yard lot lines, as well as a height limit of six metres. The existing requirements for residential lot standards, such as lot coverage, lot width, lot depth, and maximum floor areas apply to all residential dwelling units.

City of Kitchener

On November 3, 2023, the City of Kitchener reached an agreement to secure a grant through the HAF, which enabled the City to conduct a review of housing opportunities. One of the results was an amendment to the city’s zoning by-law to implement four-unit zoning on residential lots in Kitchener. Prior to the amendment, the City had already implemented three-unit zoning, permitting up to three residential units any property that permits a single-detached house, a semi-detached house or a townhouse.

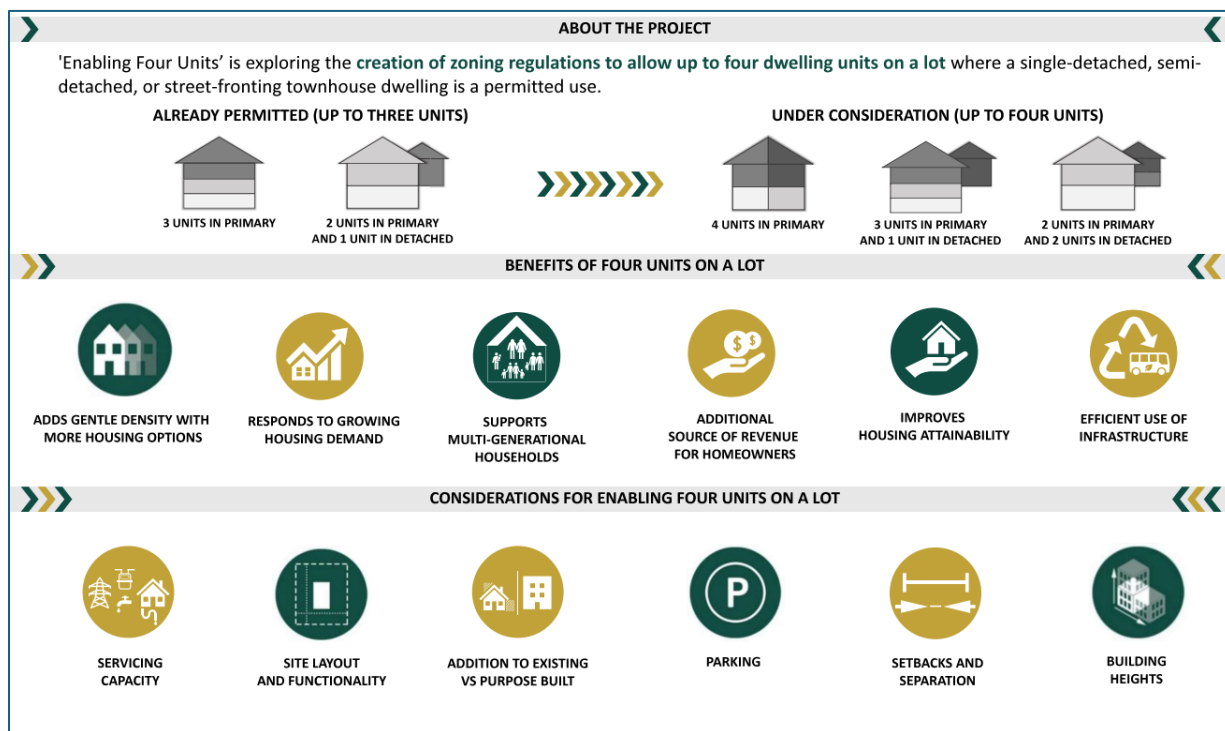


Image Source: City of Kitchener

To support the amendment to permit four-unit zoning, the City undertook public consultation in January 2024, including three in-person and one virtual public open houses, and published draft Zoning By-law and Official Plan amendments in February 2024. In March 2024, Council unanimously approved the amendments to implement four-unit zoning on all residential lots in Kitchener, which includes permitting up to four units within each townhouse unit. The zoning

includes standards for properties, including a requirement for no more than two entrances to face the street line and a minimum amount of landscaped area. The zoning amendments permit up to two ARUs to be located within an accessory building. ARUs in accessory buildings are limited in height relative to the primary dwelling and must be setback from the primary dwelling and property lines.

City of Hamilton

In August 2022, City of Hamilton implemented three-unit zoning, and on October 10, 2023 reached an agreement with CMHC for HAF grant money. On April 10, 2024, Hamilton Council adopted an amendment to permit four units on most lots in the City that previously permitted single-detached houses, and permit three units on lots that permit semi-detached houses and townhouses.

Consultation on the zoning changes was undertaken through the Reimagining Neighbourhoods initiative as part of the City's ongoing implementation of its new Comprehensive Zoning By-law. Public and stakeholder engagement was wide-ranging, including two public information meetings, eight community pop-ups, three advisory committee meetings, one development industry workshop, and online engagement.

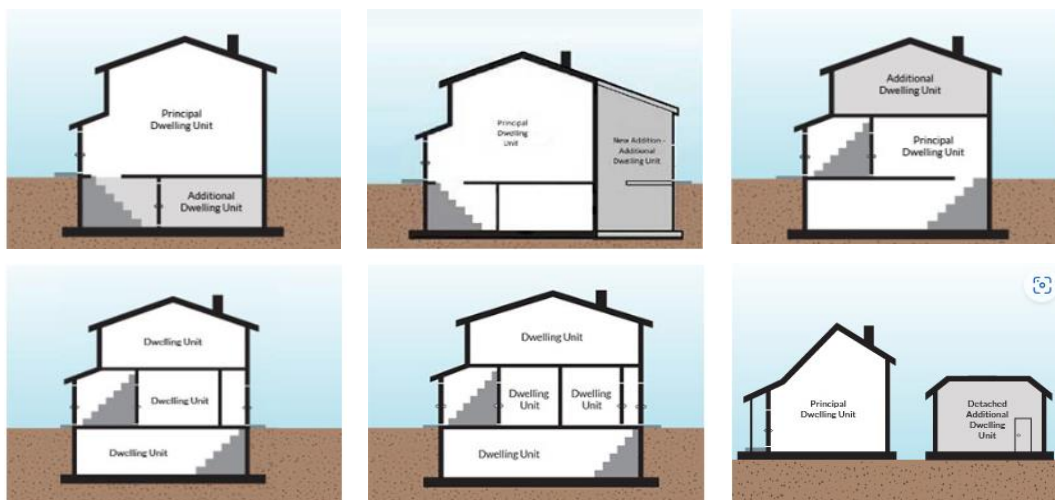


Image Source: City of Hamilton

The new zoning regulations organizes the terms for housing types slightly differently, describing a single residential building with one to four dwelling units as single detached dwellings, duplex dwellings, triplex dwellings, and fourplex dwellings. Fourplexes are permitted in the lowest density residential zones, and an additional dwelling unit (both attached and detached) is permitted throughout the City. Semi-detached dwellings and townhouse dwellings permit up to three dwelling units, however, only one additional dwelling unit internal to the dwelling, and one within a detached building are permitted. In residential zones, fourplexes are subject to the same standards for lot area, height, lot width, and setbacks as single-detached dwellings. Additional dwelling units in detached buildings are limited to the back and/or side of a primary dwelling, may not be taller than six metres, shall not be larger than the primary dwelling, and are not permitted to have second-storey patios or balconies.

4.2 Other Jurisdictions

City of Regina, SK

On February 9, 2024, Regina Saskatchewan reached an agreement with CMHC for HAF grant funding, which includes zoning to allow four units as-of-right per residential lot. Prior to this, on January 31, 2024, Regina City Council approved amendments to the zoning by-law implementing four-unit zoning and other changes to support residential development in existing neighbourhoods.

Before the amendment, the City's zoning by-law permitted a maximum of two dwelling units on residential lots, and only permitted one principal unit in the Residential 1 (R1) zone. The amendment permitted up to four units in single detached houses for areas within the "intensification boundary", or about 90% of the built-up area of the City, and permits up to two principal dwelling units. All the existing zoning standards for residential zones related to setbacks, height, lot size and area remain the same, and all dwelling units must comply. Another change includes eliminating parking minimums by changing the word from "required" to "recommended".

With respect to consultation, the City provided public notices for public meetings where the amendments were discussed and approved. More extensive consultation was undertaken for the development of the Housing Action Plan, including outreach to 150 external stakeholders and an online feedback form.

City of Saskatoon, SK

The City of Saskatoon approved the Housing Action Plan in 2023, encompassing several initiatives to help the City meet its housing needs, including changes to the Zoning By-law. The initiative was related to an application to the Government of Canada's HAF initiative. The City's Zoning By-law was recently proposed to be amended through this initiative to allow four unit dwellings in all residential zoning districts. The amendments were brought forward to Council at a public hearing in May 2024. This initiative also supports the City's policy of accommodating 50% of the City's residential growth as infill, which refers to the addition of new dwelling units and housing types within existing neighbourhoods as opposed to new greenfield areas.

The effect of the proposed amendment is to allow a wide range of forms including up to four unit dwellings in all residential districts. The specific configuration of the units is not regulated, meaning the units may take the form of townhouses, front-to-back, back-to-back, and stacked configurations, for example. The City requires some criteria to allow for units, such as having a minimum lot width of 15 metres. The City expects that uptake with respect to these new permissions would occur gradually over time.

City of Calgary, AB

The City approved a Housing Strategy on September 16, 2023 which contains 98 actions, including the intent to increase housing permissions for low-density residential zones (R-CG Zone), or the “blanket rezoning” of large areas with increased permissions. On November 14, 2023, the City of Calgary Alberta reached an agreement with CMHC for HAF grant money. The HAF agreement does not specifically say it intends to implement four-unit zoning, but it does identify a general intent to rezone single-dwelling areas to allow for multiplexes and other types of infilling.

On May 14, 2024, City Council passed a blanket rezoning to increase permissions for housing development across all residential districts. Previously, the base residential district permitted only single-family homes with a possibility of a backyard suite. The new base-residential district is the Residential – Grade-Oriented (R-CG) district, which permits single-detached dwellings, semi-detached dwellings, townhouses and fourplexes. A single secondary suite is permitted either within the principal dwelling or in an accessory dwelling. The R-CG also has a maximum residential density of 75 units per hectare.

The meeting to approve the new land use by-law (equivalent to an Ontario zoning by-law) lasted for 16 days, during which Council heard from 736 speakers, showcasing the strong interest and opinion from the community.

City of Edmonton, AB

On October 23, 2023, the Edmonton City Council approved a new zoning by-law that permits up to eight residential units on residential lots across the city. The previous zoning by-law included zones that only permitted single-detached dwellings. The base residential zone, the Small Scale Residential Zone (RSF), now permits backyard housing, duplex housing, lodging houses, multi-unit housing, row housing, secondary suites, semi-detached housing, single detached housing and supportive housing, with up to eight dwelling units and up to three storeys tall. The minimum lot area is 75 square metres per dwelling unit, and the minimum lot width is 7.5 metres. A maximum of 45% of the lot can be covered by buildings. There is no maximum number of dwelling units that can be located in a building located in the backyard, so long as the total number of dwelling units does not exceed eight.



Image Source: City of Calgary



Image Source: City of Edmonton

The Zoning By-law Renewal project started in 2018 and was subject to broad public consultation. The public meeting to approve the new By-law received over 300 public delegations. The new zoning rules emphasize form and massing of buildings and uses.

On February 21, 2024, the City of Edmonton Alberta announced an agreement with CMHC for HAF grant money. A core ask of the HAF applications is to end exclusionary zoning, and in the announcement of the agreement, it was stated that Edmonton had already done so with its broad permission for up to eight units city-wide.

City of Vancouver, BC

On September 14, 2023, Vancouver City Council voted to allow up to six residential strata units (equivalent of condominium units), or up to eight secured rental units on larger lots, throughout the city on lots previously reserved for single family homes or duplexes. The previous zoning by-law permitted one basement suite and a laneway house, for a total of three dwelling units on a lot. At the same time, zoning amendments simplified the zoning code, and consolidated nine separate zones into one. The new regulations also permits a higher density, with a permitted floor space ratio (FSR) up to 1.0, which means that the total floor space of the buildings on a lot can be equal to the area of the lot.

Existing Options



House + Laneway

- 3 Units
- 0.86 FSR



Duplex + Suites

- 4 Units
- 0.70 FSR



Character Retention

- 6 Units
- 0.85 FSR

Proposed Option



Multiplex

- 3 to 6 ownership units (8 units for rental)
- 1.0 FSR with
 - Density bonus charge, OR
 - All units secured as rental, OR
 - Below-market unit provided
- 3 storeys (grade or shallow basement)
- Focus on family-size units (2+ BRs)
- No required on-site car parking



Image Source: City of Vancouver

Like Ontario, which now requires a minimum of three-unit zoning, the Province of British Columbia adopted new legislation in November 2023 that requires most municipalities' zoning by-laws to permit four dwelling units on lots over 280 square metres in size, and up to three dwelling units on lots over 250 square metres in size. Municipalities that are well-served by transit will permit up to six units on larger lots.

On December 15, 2023, CMHC announced an agreement with the City of Vancouver for HAF grant money. The agreement did not include a requirement to implement four-unit zoning, as the city had already implemented a more ambitious program.

City of Minneapolis, Minnesota

Since 2009, Minneapolis, Minnesota has been implementing housing reforms that culminated in the Minneapolis 2040 plan, which was approved by Council in December 2018. The reforms have included broadening permissions for accessory dwelling units in residential zones, eliminating parking requirements for new developments, and to eliminate single family zoning by permitting duplex and triplex construction on all residential lots, subject to zoning standards. In addition to these reforms, the City implemented other incentives to increase housing intensification near transit, and increasing investment in affordable housing.

The result of these reforms is that from 2017 to 2022, the City has increased its housing stock by 12% while rents grew by just 1%, while in the same period the rest of Minnesota added only 4% to its housing stock while rents went up by 14%⁵. In the same period, the City had 10% growth in number of households, compared to 7% household growth for the rest of the state. This supports the idea that increasing housing supply is one tool to help increase affordability.

⁵ [Minneapolis Land Use Reforms Offer a Blueprint for Housing Affordability | The Pew Charitable Trusts \(pewtrusts.org\)](https://www.pewtrusts.org/en/research-and-analysis/articles-entries/2023/04/minneapolis-land-use-reforms-offer-a-blueprint-for-housing-affordability)

4.3 Summary of Case Studies

Every case study reviewed is different, but most municipalities have seriously considered and often amending existing, restrictive zoning to allow for a wider range of housing types. Each municipality addresses their own unique challenges to housing affordability through tailored zoning by-law updates. Additionally, every municipality is starting from a different place and subject to different policy and legislation. However, it is clear that municipalities are increasingly interested in acting on expanding housing opportunities in existing and new neighbourhoods by implementing more permissive and flexible zoning. The permission of new housing units is considerate of potential impacts, and thus each municipality also includes special requirements for new housing forms. Below is a list of some of the highlights and common themes amongst the municipalities reviewed:

- Permitting more housing in existing neighbourhoods is broadly recognized to support housing affordability by increasing housing supply in areas where people live. In Minneapolis, housing reforms have resulted in increased supply and rent prices that have grown less than comparable cities.
- Permitting smaller lots and more housing types is becoming increasingly common across Canada. Even where four-unit zoning is not considered, such as in the Town of Essex, the minimum lot requirements are decreasing, making it easier to build more housing types, including semi-detached houses and townhouses, on smaller lots.
- Permitting semi-detached houses in all residential zones is good practice adopted in most of the municipalities reviewed.
- It is common to permit duplexes, triplexes, and fourplexes in residential zones where the municipality permits three or four additional residential units. A single detached house with a principal dwelling unit and two additional residential units and a triplex are functionally similar.
- Municipalities commonly permit townhouses in all residential zones, but not all municipalities. In some cases, such as Hamilton, townhouses in residential areas are not permitted to have as many additional residential units as other housing types, or may have different lot requirements.
- It is possible to permit more housing while maintaining existing zoning requirements. While more units and types are permitted on paper, the size and placement of those buildings and units has to follow the same rules that the existing buildings follow. This means that the largest house permitted after new permissions is the same as the largest house prior to new permissions. This also means that many lots would not be the right size or shape to permit all housing types.
- Municipalities that are more ambitious with permitting many units on a lot, such as Edmonton and Vancouver, are restrictive in terms of the size of lot required. Edmonton permits eight dwelling units on a lot, but the smallest lots would only be permitted to have three.

- Additional residential units typically have zoning requirements to mitigate impacts to neighbouring lots. These can include where unit access is located, setbacks from the principal house and from lot lines, and size restrictions to ensure that any accessory unit is smaller than the principal house.
- Municipalities that implement four-unit zoning may do so by extending the existing required policies for three-unit zoning to apply to one additional unit. The regulations that prevent additional residential units from being out of place continue to apply, which might not make it feasible to permit the maximum on every lot. For example, London first implemented multi-unit zoning by an amendment that changed the maximum number of additional residential units from “two” to “three”.

5. Housing Type Information Sheets

This section identifies the key opportunities to expand housing options in the Town of Tecumseh. Each of the following Information Sheets explain the current permissions, existing zoning requirements, and discuss the potential opportunities for the following types of housing:

1. Single detached houses;
2. Additional residential units;
3. Semi-detached houses;
4. Duplexes and triplexes;
5. Townhouses; and
6. Fourplexes.

The Official Plan requires that any development in the neighbourhoods be “compatible” with the existing neighbourhood. As such, any opportunity to expand allowable housing forms must meet the test of being “compatible” with existing development. The Official Plan states that this does not mean “the same as” but rather refers to compatibility as the ability for uses to coexist harmoniously. In other words, compatibility is a test of fit and is an evaluation of impact. When assessing compatibility, the Town takes into account:

- Neighbourhood character, such as providing for a reasonable amount of spaciousness and opportunity for landscaping and vegetation;
- Privacy and shadow impacts;
- Ensuring there is enough space for parking; and
- Design/orientation of driveways to ensure safety, and visibility and to avoid the impact of headlights facing into nearby homes.

The zoning by-law can be used to regulate development and ensure compatibility. For example, the zoning by-law can:

- Set out requirements for driveways such as minimum and maximum width.
- Require minimum setbacks, which refers to the distance between the house and the lot lines.
- Require that a percentage of the lot or any yard be landscaped and not covered by buildings or paved.
- Require a maximum percentage of the lot that is allowed to be covered by buildings (the “lot coverage”).
- Set out minimum number of parking spaces as well as the required dimensions for parking spaces.

- Require that a lot be a certain size width, depth and/or area to ensure that the development is not too cluttered.

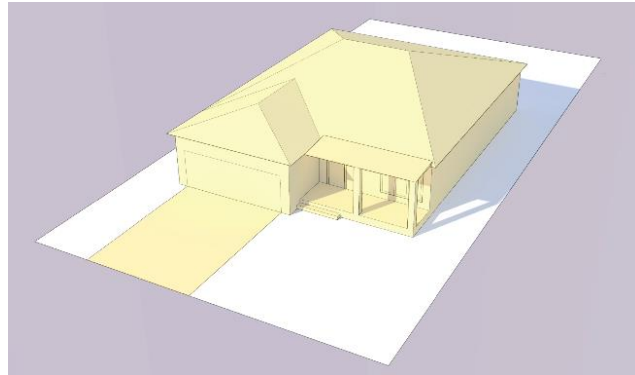
The zoning by-laws, however, cannot control:

- Tenure, such as whether housing units are owned or rented or whether they are occupied by the owner or are rented.
- Any aspect of the nature of the residents who live in the home. The zoning by-law cannot discriminate and limit housing choices.
- Interior floor layout cannot be regulated by the zoning. Rather, the zoning sets out the size, massing, and location of the house and accessory structures such as decks and sheds. There are aspects of the Ontario Building Code that may also influence exterior and interior construction of buildings but the Building Code requirements are not stated in the zoning by-law but are separate.
- Finishes, architectural style, and building materials cannot be regulated in zoning.

Single Detached Houses

Current Permissions for Single Detached Houses

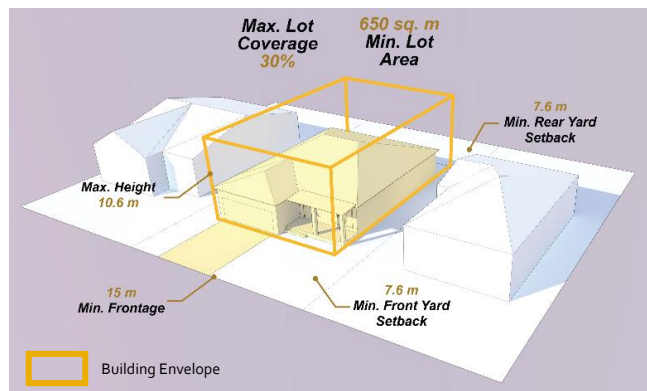
- Over 80% of housing units in Tecumseh are single detached houses.
- Single detached houses are permitted in the majority of the Town's neighbourhoods.
- Historically, the Town's zoning has only allowed single detached houses in most neighbourhoods. They were the primary source of new housing for decades.



Zoning Requirements for Single Detached Houses

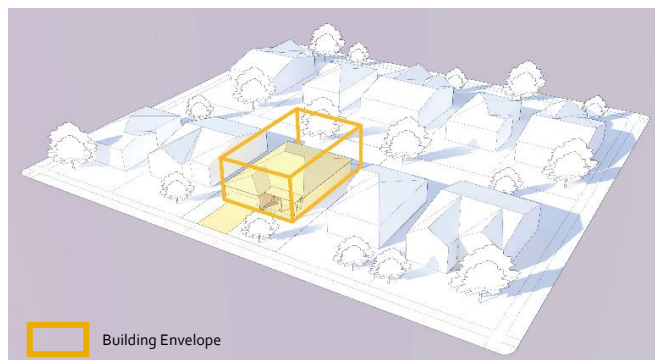
- The Zoning By-law sets requirements for height, setbacks, as well as landscaping, coverage, and lot size, and lot width (frontage).
- The Zoning By-law also sets a minimum number of parking spaces (at least 2 per house) and driveway requirements.
- Zoning permissions currently allow up to 10.6 metres in height (potentially 3 storeys), which can be significantly larger than what was originally built.

Typical zoning requirements in Tecumseh's neighbourhoods (note that standards vary per the zoning by-laws)



Typical Lot Sizes for Single Detached Houses in Tecumseh's Neighbourhoods

- There is a wide range of house size, lot size, setbacks, open space, and other characteristics amongst the Town's many neighbourhoods.
- The minimum required lot frontage (width) in the urban neighbourhoods are 15 metres, 18 metres, and 22.8 metres, contributing to varied character across the neighbourhoods.



Affordability challenges associated with providing Single Detached Houses as the main form of housing

Costly to build and to service



Maintenance and ownership is more expensive compared to other housing forms



Limited land supply



Rental opportunities are limited and not a permanent source



Large size and yards are not needed for smaller household sizes



Additional Residential Units

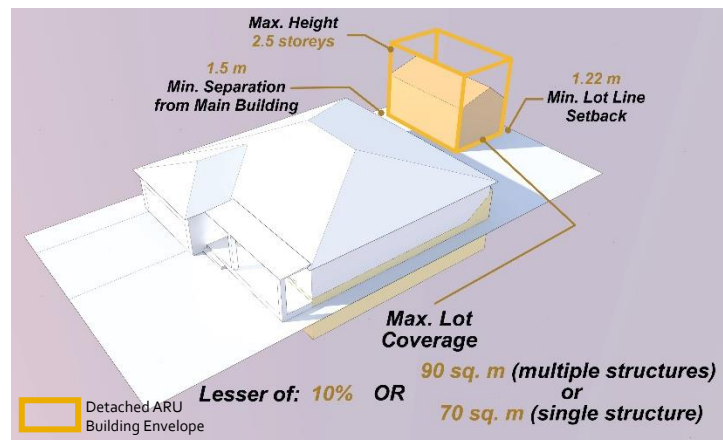
Current Permissions for Additional Residential Units

- Additional residential units (ARUs) are already allowed on every urban lot where there is a single detached house, a semi-detached house, or a townhouse.
- ARUs can take many forms:
 - House additions
 - Garage conversions
 - Basement suites
 - Garden suites (detached units such as tiny homes)
- Up to 2 ARUs are permitted per lot, resulting in a total of 3 units on each lot. This can take the form of:
 - Up to two ARUs in the house, creating a 3-unit building; or
 - Up to one ARU in the house and one ARU as a separate detached unit in the backyard for a total of 3 units.



Zoning Requirements for Additional Residential Units

- The zoning by-law sets requirements for ARUs. ARUs that are part of the house are subject to the same setbacks, maximum height, and other requirements for the main house.
- Detached ARUs are subject to setbacks, maximum height, and other requirements to help ensure they are compatible. Detached ARUs (i.e., garden suites), are allowed in the backyard and typically would take the form of a tiny house.



Benefits of Additional Residential Units

Provides supply of rental housing



Can provide source of income to home owner



Creates supply of smaller units to better meet a variety of household needs



Makes efficient use of infrastructure and more efficient use of land



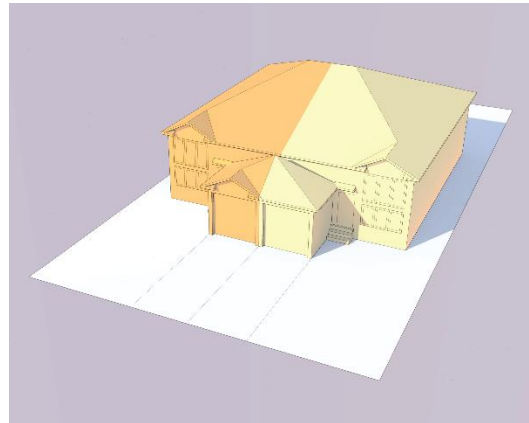
Fits into existing homes and neighbourhoods



Semi-Detached Houses

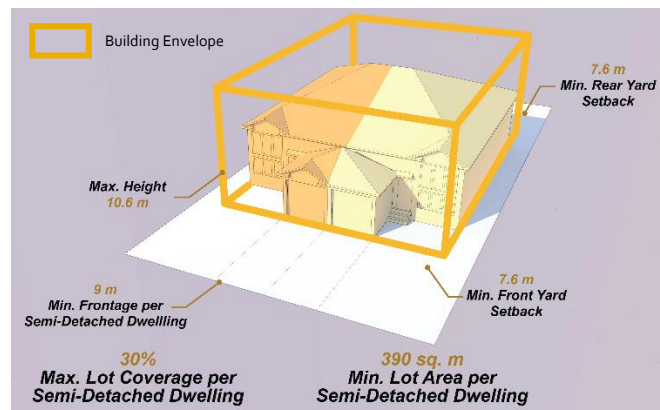
Current Permissions for Semi-Detached Houses

- Semi-detached units are being built in select areas of the Town where they are permitted. However, only a small percentage of housing units in the Town are semi-detached houses.
- The zoning would have to be amended to allow semi-detached houses in many of the Town's neighbourhoods, as only single detached and additional residential units are allowed.



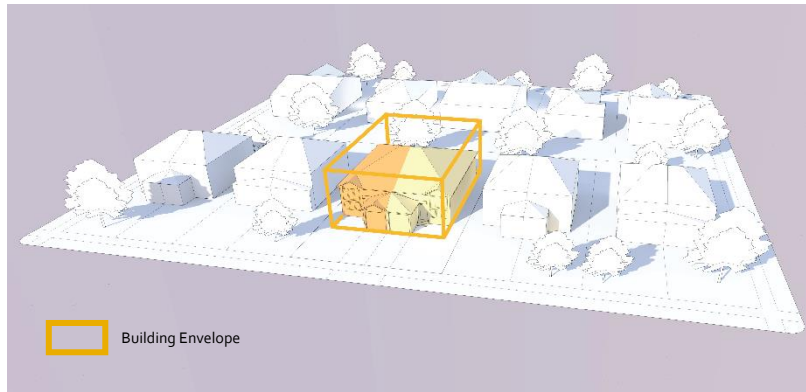
Current Zoning Requirements for Semi-Detached Houses

- As with single detached houses, the Zoning By-law sets requirements for semi-detached houses, including height, setbacks, as well as landscaping, coverage, and lot size, and lot width (frontage).
- The minimum lot width per semi-detached house is 9 metres, resulting in a total of 18 metres for two houses.



Typical Lot Sizes for Semi-Detached Houses in Tecumseh's Neighbourhoods

- Many existing lots in the Town's neighbourhoods could potentially accommodate two semi-detached houses.
- An average 18 metre-wide lot, as is typical in Tecumseh's neighbourhoods, would provide 9 metres per new semi-detached lot as shown in the illustration. The existing building envelope would provide suitable space for the driveway, garage, living space, and to provide separation from the neighbouring lots.



Benefits of Permitting Semi-Detached Houses

Similar appearance and density as single detached



Relatively lower cost of construction, land, and servicing compared to single detached houses



Can provide smaller unit sizes and smaller lots that better meet household needs

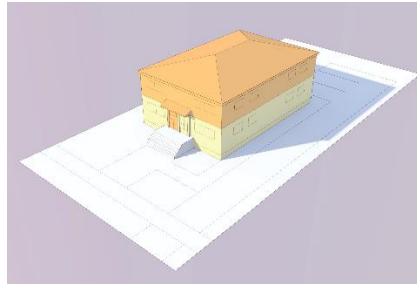


Duplexes and Triplexes

Current Permissions for Duplexes and Triplexes

- Duplexes and triplexes are permitted in only specified areas of the Town, specifically the R3 zoned areas in the former Town of Tecumseh, under by-law 1746.

Duplex



Triplex

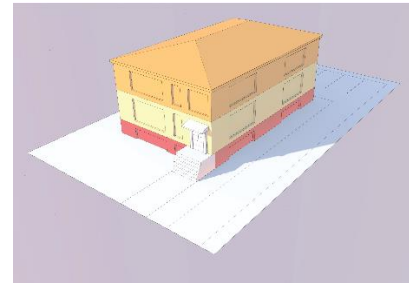
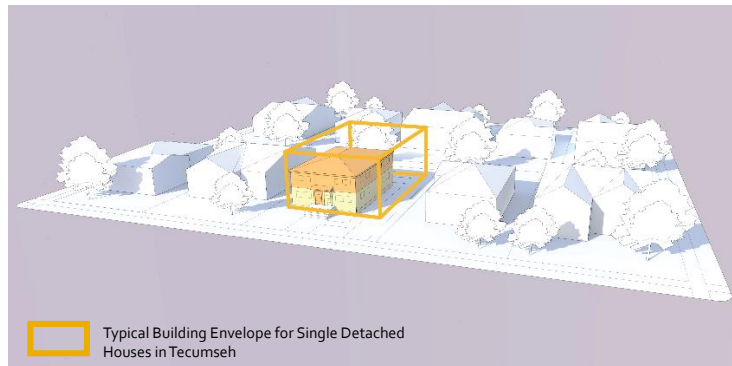


Illustration of a Duplex on a Typical Street in Tecumseh

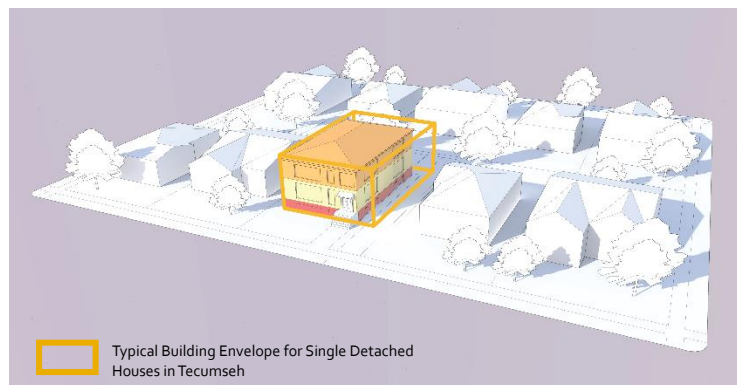
- Duplexes would fit well into the current building envelopes as they would be similar to existing houses and equivalent to a house with an additional residential unit.



Typical Building Envelope for Single Detached Houses in Tecumseh

Illustration of a Triplex on a Typical Street in Tecumseh

- Similarly, triplexes would fit well in existing neighbourhoods as the bulk and density of the house would be equivalent to a single detached dwelling with two additional residential units.



Typical Building Envelope for Single Detached Houses in Tecumseh

Benefits of Permitting Duplexes and Triplexes

Similar in appearance and density to single detached and semi-detached houses



Provides additional flexibility for housing typologies to be built in the Town



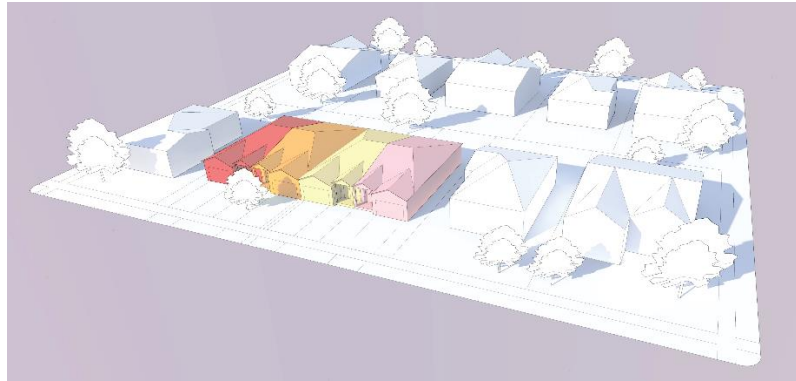
Provides a source of rental units and potential income for the home owner, where one unit is owner-occupied



Townhouses

Current Permissions for Townhouses

- As with semi-detached houses, townhouses are currently only permitted within specific areas in Tecumseh. Namely, townhouses are allowed within the R3 zone of the former Town of Tecumseh zoning by-law. Allowing townhouses elsewhere would currently require a zoning by-law amendment.
- Some townhouses have been built within existing neighbourhoods, blending into adjacent single and semi-detached houses.



Zoning Requirements for Townhouses

- The Zoning By-law requires a minimum lot width of 6 metres for each townhouse.
- “End unit” townhouses must provide the side yard setback of at least 3 metres. As a result, developing at least 3 townhouses would require at least 24 metres of lot width under the current zoning requirements.
- Otherwise, townhouses are subject to similar setbacks and height restrictions as other permitted housing types, such as single and semi-detached houses.

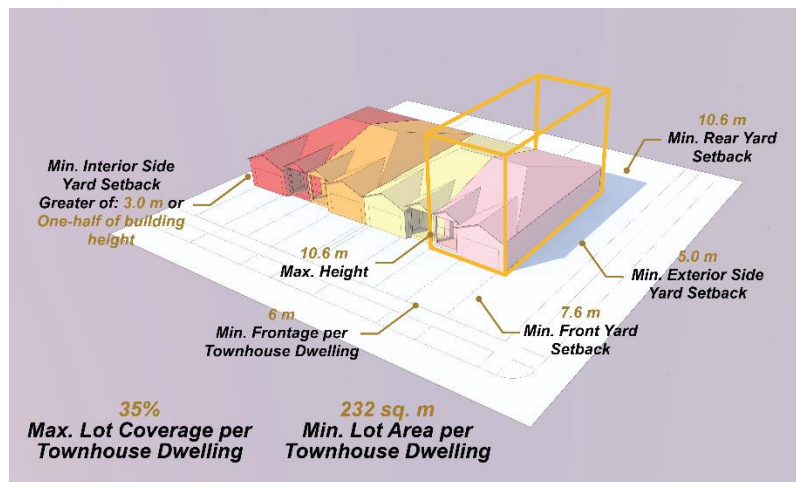
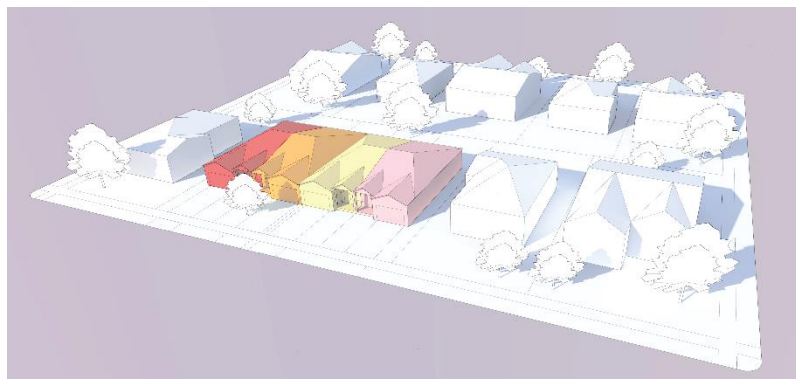


Illustration of Townhouses on a Typical Street in Tecumseh

- Townhouses may take a form that is similar to existing single detached houses, including one-storey townhouses.



Benefits of Permitting Townhouses

Provides source of smaller-sized housing units which better meets different household needs



Similar density, massing and character as single and semi-detached houses including separate driveways/garages



Allows for more development opportunity and choice



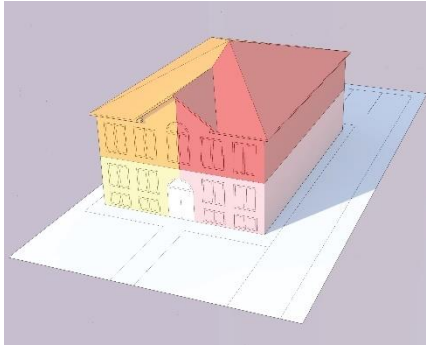
More cost effective to build and service compared to single and semi-detached houses



Fourplexes

Current Permissions for Fourplexes

- Fourplexes are not specifically defined in the current zoning by-laws. However, the zoning by-laws allow more broadly for apartments in very limited areas of the Town. The zoning for these forms tends to be applied on a case-by-case basis as a result of a development application.

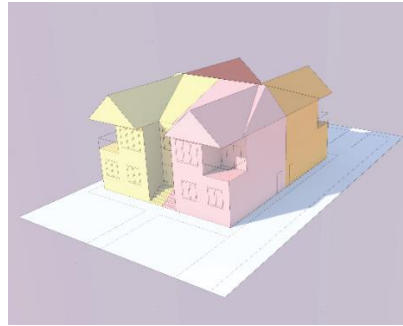


Examples of Fourplex Configurations

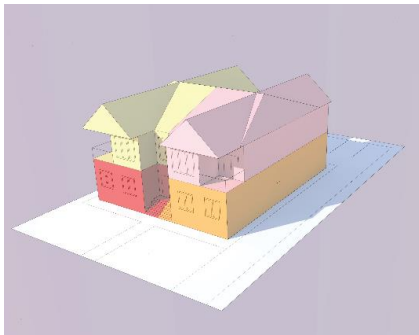
House converted to a fourplex, with parking spaces provided in the side / rear yard behind the house, and a common entrance



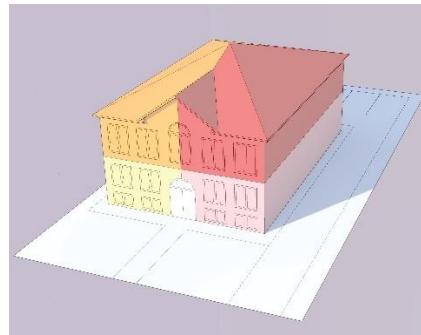
Back-to-back fourplex with parking spaces in the rear yard and individual entrances



New Fourplex with Vertically and Horizontally Separated Units and parking spaces in the rear yard and individual entrances



Block Style Fourplex with a common entrance and rear parking



Benefits of Permitting Fourplexes

Provides a source of rental housing and smaller unit sizes



Provide additional flexibility to construct a wider range of housing unit types at lower costs



Expands opportunity to build "missing middle" forms of housing to meet a wider range of demographic needs



6. Next Steps

This Discussion Paper has identified the importance of looking at expanding housing choices in the Town. The historical development of mainly single detached houses no longer meets the affordability and diverse housing needs of the Town's residents. This Discussion Paper identifies a number of case studies which have indicated that many other municipalities are similarly reviewing their Official Plans and Zoning By-laws to identify new housing opportunities in existing and in new greenfield neighbourhoods.

This Discussion Paper provides the context upon which to base further discussions with the community about housing opportunities and affordability challenges. Informed by consultation, the main next step will be to identify the various options for updating the Official Plan and zoning standards to provide more housing choices and improve housing affordability in order to meet the evolving needs and values of the Tecumseh community. Additional consultation will occur regarding any identified amendments. This information will be presented in a subsequent discussion paper entitled the Housing Opportunities - Directions Report.