



The Corporation of the Town of Tecumseh

Development Services

To: Mayor and Members of Council

From: Brian Hillman, Director Development Services

Date to Council: December 10, 2024

Report Number: DS-2024-41

Subject: Expanding Housing Choices and Improving Affordability,
Housing Accelerator Fund:
Initiative 6 - Additional Residential Unit (ARU) Guideline,
Initiative 7 – Elimination of Building Permit Fees for ARUs

Recommendations

It is recommended:

That Report DS-2024-41, entitled “Expanding Housing Choices and Improving Affordability, Housing Accelerator Fund: Initiative 6 - Additional Residential Unit (ARU) Guideline, Initiative 7 - Elimination of Building Permit Fees for ARUs” **be received**;

And that the document titled “Additional Residential Unit (ARU) Guideline, Town of Tecumseh”, dated December 10, 2024, **be received and endorsed**;

And that By-law 2024-096, which will eliminate building permit fees for Additional Residential Units (ARUs) from January 1, 2025 to December 31, 2027, or until such time that associated HAF funding is exhausted, **be approved**.

Background

Tecumseh Housing Action Plan

In August of 2023, Council adopted a Housing Action Plan, incorporating new housing goals, targets and initiatives that that would lead to comprehensive long-term positive

changes to improve housing affordability and to broaden the range of housing choices available to Tecumseh residents.

Tecumseh Housing Accelerator Fund

In February 2024, the Town's Housing Accelerator Fund (HAF) Application received approval, and a funding agreement was entered into with the Canada Mortgage and Housing Corporation (CMHC) setting out nine (9) initiatives to be undertaken by the Town and their corresponding timelines and milestones. HAF Initiatives 6 and 7 deal with facilitating the construction of Additional Residential Units (ARUs) in the Town. ARUs are deemed to be one of the forms of housing that provides more choice and affordability in the Town.

Comments

Initiative 6 – ARU Guideline

HAF Initiative 6 involves the preparation of a user-friendly ARU Guideline that: provides simple illustrations and information on how to add an ARU to a residential property; describes different types of ARUs; and addresses several topics that are commonly asked by the public.

Larry Silani of MillerSilani Inc. lead the preparation of the Town's first ARU Guideline, with illustrations provided by J.P. Thomson Architects Ltd. and graphic design provided by Mackenzie Vandenberg, Tecumseh Communications Officer (see Attachment 1). The intent of the ARU Guideline is to provide, in one document, pertinent information to homeowners and builders that will make it simpler to navigate the approval process along with links to relevant information and contacts. It is believed that the ARU Guideline will assist in facilitating the construction of additional ARUs in the Town.

In addition to the hard-copy version, a web-based version of the ARU Guideline will be placed on the Town's website. The ARU Guideline will be updated over time to ensure the content remains relevant and accurate.

Initiative 7 – Elimination of Building Permit Fees for ARUs

HAF Initiative 7 proposes to eliminate building permit fees for ARUs for a 3-year period. Accordingly, By-law 2024-096 is on the December 10, 2024, Regular Council Meeting agenda. It amends the current Building By-law, Schedule "3" - Administration Fees and Charges, by eliminating the permit fee for ARUs, effective January 1, 2025, to December 31, 2027, or until such time that associated HAF funding is exhausted. For a typical ARU at 650 square feet, the building permit fee would be \$812.50 based on the current permit fee of \$1.25 per square foot.

To compensate the Town, HAF funding will be used to offset any lost revenue because of the elimination of these permit fees.

As with the ARU Guideline, it is believed that the elimination of building permit fees for ARUs will assist in facilitating the construction of additional ARUs in the Town.

Next Steps

Town Administration recommends that Council endorse the ARU Guideline and adopt By-law 2024-096. Once endorsed, the ARU Guideline will be updated to include the preceding By-law number. The Guideline will be made available on the Town's website and hardcopies will be printed for distribution at Town Hall and other public-facing municipal buildings.

Consultations

Chief Building Official

Financial Services

Canada Mortgage and Housing Corporation (CMHC)

MillerSilani Inc.

Financial Implications

The Town's HAF application was approved and is providing \$4,383,110 in funding, approximately \$1,184,000 of which is to be used for the implementation of the Town's nine initiatives. As previously noted, HAF funding will be used to offset any lost revenue to the Town because of eliminating ARU permit fees.

The Council-approved 2024 Planning Services budget included line items that incorporate HAF funding to fund the costs being incurred by the Town to complete the nine initiatives.

Link to Strategic Priorities

Applicable	2023-2026 Strategic Priorities
<input checked="" type="checkbox"/>	Sustainable Growth: Achieve prosperity and a livable community through sustainable growth.
<input checked="" type="checkbox"/>	Community Health and Inclusion: Integrate community health and inclusion into our places and spaces and everything we do.
<input type="checkbox"/>	Service Experience: Enhance the experience of Team Tecumseh and our citizens through responsive and respectful service.

Communications

Not applicable

Website

Social Media

News Release

Local Newspaper

This report has been reviewed by Senior Administration as indicated below and recommended for submission by the Chief Administrative Officer.

Prepared by:

Brian Hillman, MA, MCIP, RPP
Director Development Services

Reviewed by:

Tom Kitsos, CPA, CMA, BComm
Director Financial Services & Chief Financial Officer

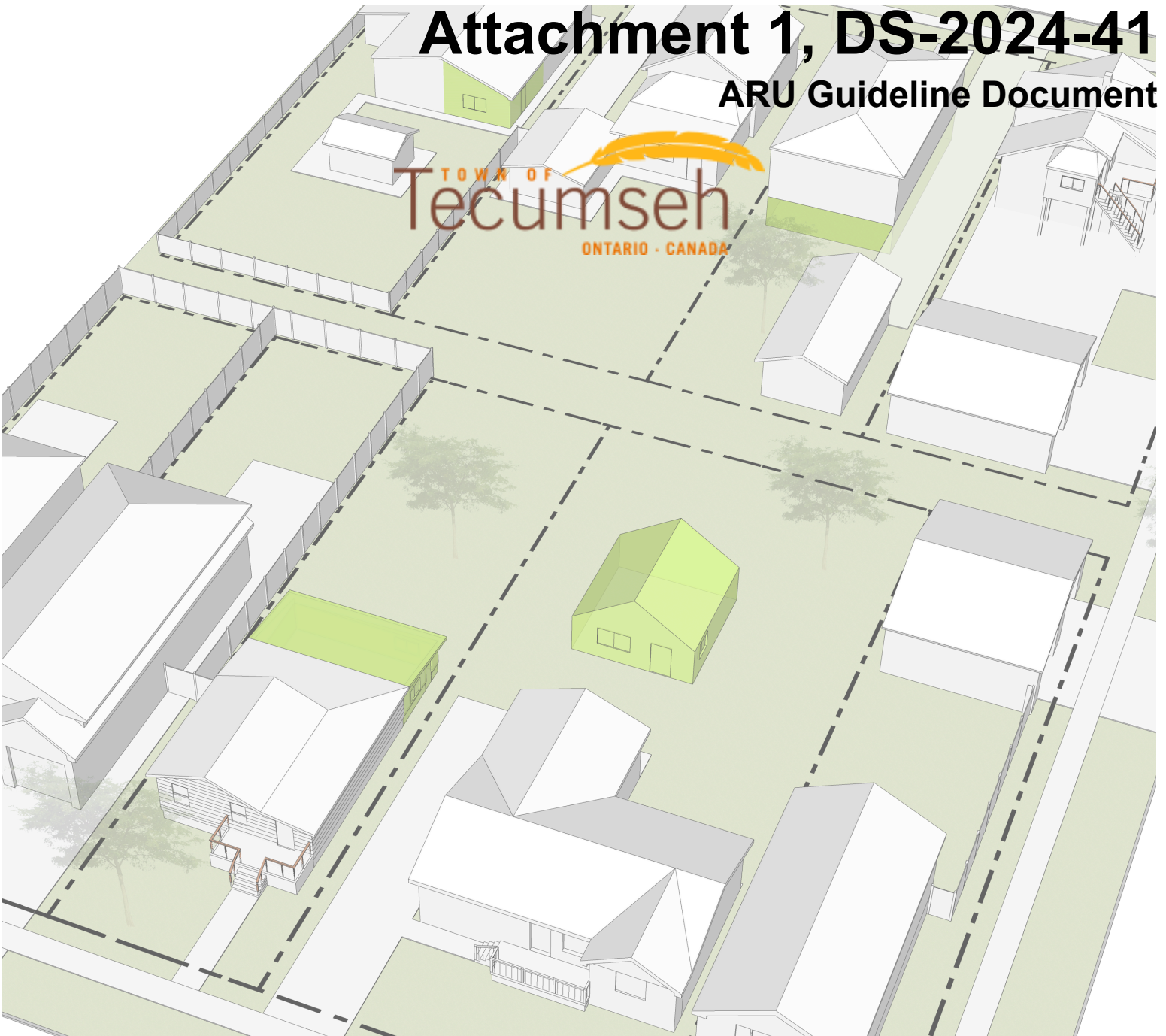
Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1.	Additional Residential Units Guideline, December 10, 2024

Attachment 1, DS-2024-41

ARU Guideline Document



Additional Residential Unit (ARU) Guideline

TOWN OF TECUMSEH

1.0 What are additional residential units (ARUs)?

An ARU is a self-contained dwelling unit located within the same building, or on the same lot, as an existing residential unit. Self-contained means that it has its own kitchen and washroom facilities, and a separate entrance.

There are four (4) main types of ARUs including:

- interior conversion to an existing dwelling to create a new ARU;
- basement conversion in an existing dwelling to create a new ARU;
- building a detached stand-alone new ARU; and
- building an addition to existing dwelling to create a new ARU.

They can be located within the interior of the existing house (for example in the basement), in an existing garage, or by constructing a detached “tiny home” on the property or as an addition to a single detached, semi-detached, or townhouse dwelling.



2.0 How many ARUs can I have and where can they be built?

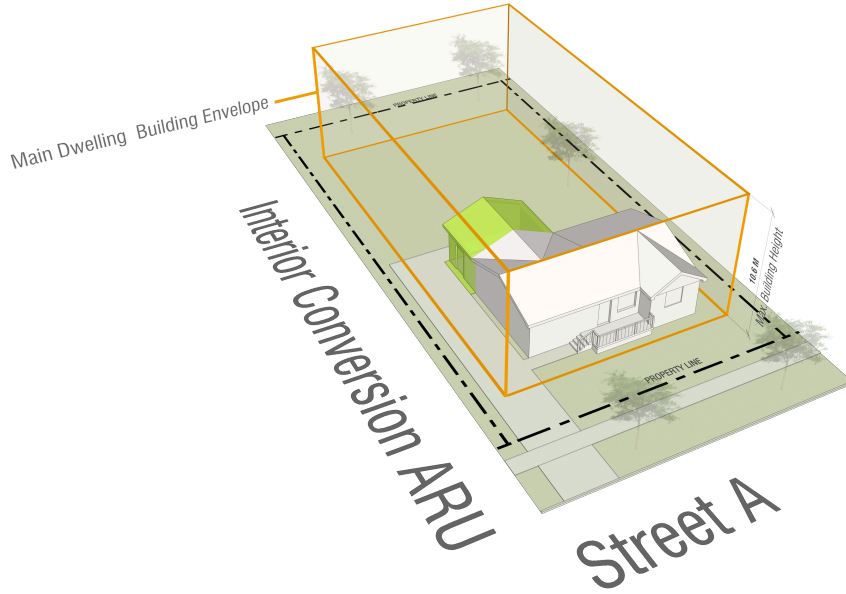
The Town of Tecumseh is encouraging this form of residential development to be constructed in the Town, to expand housing choices and to improve affordability for residents of all ages and income levels.

You can have up to 2 separate Additional Residential Units (ARUs) on a residential property where the zoning permits single detached dwellings, semi-detached dwellings, or street townhouse dwellings.

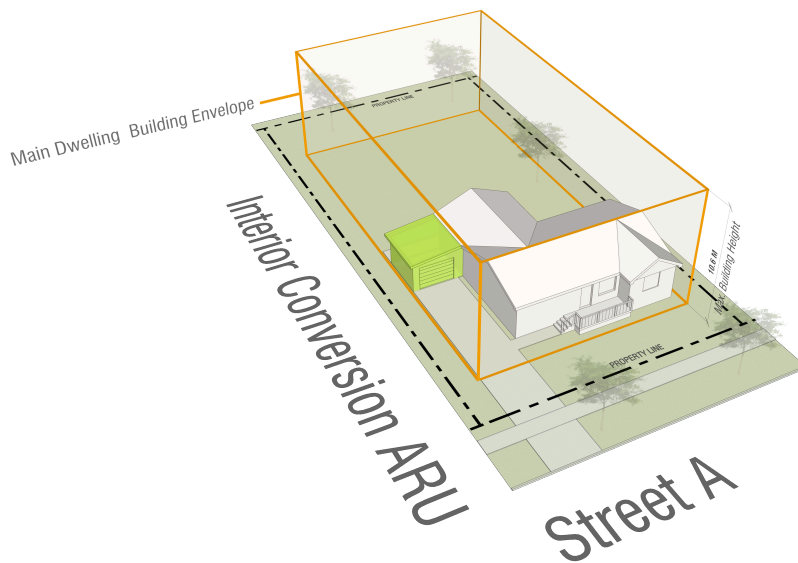
You can convert space in your existing home (including a basement, a 2nd floor, or an attached garage) to create a new ARU. You can also build an addition onto your existing home, or convert an existing detached garage, or build a new detached dwelling on your property, provided the new ARU meets the standards set out in the Ontario Building Code and the applicable zoning by-law regulations.

The following diagrams are intended to illustrate each of these ARU types and where they can be constructed on an existing residential lot in Tecumseh.

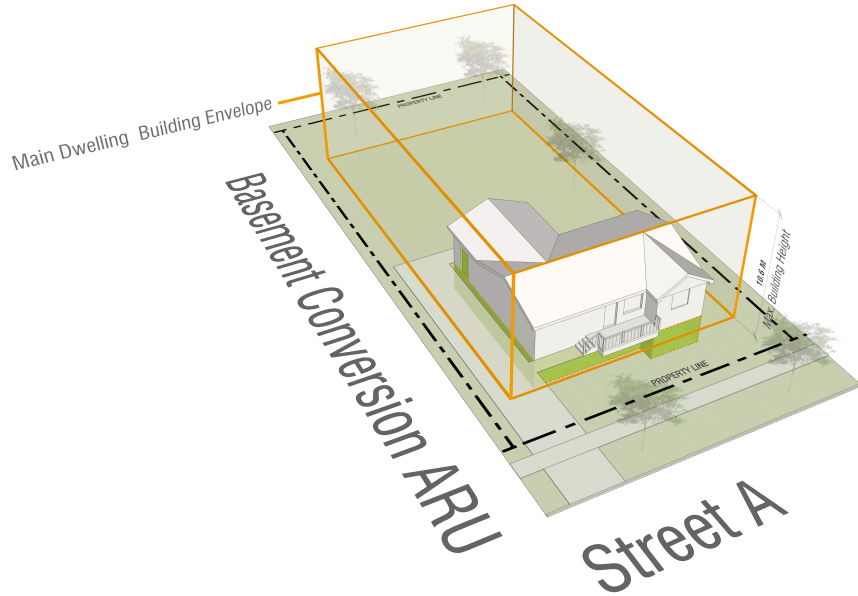
*Type 1a: Interior Conversion in Your Existing Home
to Create a new ARU*



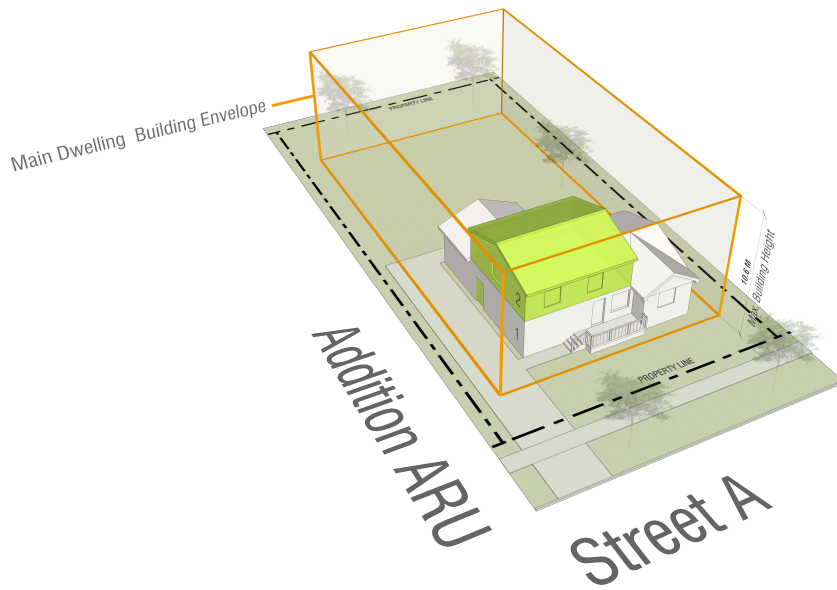
*Type 1b. Interior Conversion in Your Existing Attached
Garage to Create a new ARU*



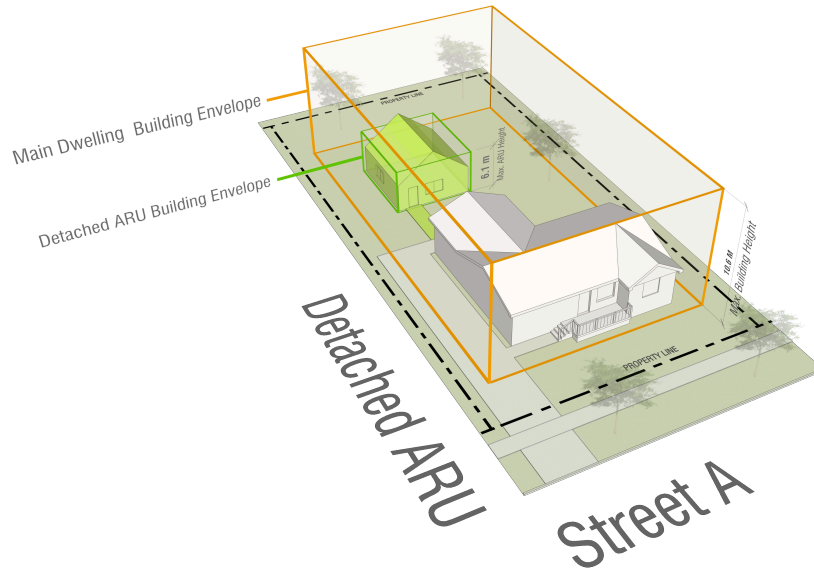
Type 2. Basement Conversion In Your Existing Home to Create a New ARU



Type 3. Building An ARU As Part Of A New Addition To Your Existing Home



*Type 4. Building An ARU In A Detached Structure
On The Same Lot As Your Existing Home*



Type 5. Building 2 ARUs On The Same Lot As Your Existing Home



3.0 What About Zoning and Building Code Regulations?

The Town of Tecumseh currently has three (3) zoning by-laws – By-law 1746 (for the former Tecumseh area), By-law 2065 (for the former St. Clair Beach area), and By-law 85-18 (for the former Sandwich South area).

These zoning by-laws establish land use regulations that apply to any ARU building project, including detailed information about maximum floor area, building height, and required setbacks from property lines. Learn more about Tecumseh’s ARU zoning regulations by visiting www.tecumseh.ca/ARU.

A building permit is required for all ARU construction. The Ontario Building Code applies to the creation of all ARU units. It sets out requirements for building-related details including but not limited to room heights and sizes, fire separations, smoke alarms, window size and egress, plumbing, electrical, HVAC and lighting. The Building Code specifies the minimum size for any dwelling unit, whether it is existing or additional. For a bachelor style ARU (where the sleeping, living, dining, and kitchen areas are combined as one space) a minimum floor area of 13.5 square metres per OBC 9.5.8.1 is required.

4.0 What Fees and Costs Are Associated with ARUs?

There are costs associated with applying for and obtaining a building permit from the Town, purchasing building materials, undertaking site preparation/site alteration (as needed), extending water, electrical, sewage, and other utility service lines, and hiring any professionals needed to do the work. The following list is not comprehensive, and is subject to change depending on your specific circumstances, but some of the typical fees include:

Building Permit Fees

The cost of a building permit is determined by the size of the ARU, the amount of work done, and the type of building being constructed or renovated. For more information regarding ARU building permits, contact the Building Department by email at cwalter@tecumseh.ca or by phone 519-735-2184 ext. 103.

Public Works, Utility Connection/Inspection Fees

Permits will be required for water and sewage service inspections and for other utilities. For more information regarding public works fees and charges, please contact the Public Works Department at by email at jhenderson@tecumseh.ca or call 519-735-2184 ext. 166.

5.0 Are there any programs to help offset the cost of constructing a new ARU in the Town of Tecumseh?

On December 10, 2024 the Town of Tecumseh passed By-law _____ that exempted the construction of a new ARU on a lot that had an existing primary dwelling as of the date of passage of By-law _____ from the requirement to pay a building permit fee. This exemption is in effect until December 31, 2027, at which time building permit fees will be required to be paid to obtain a permit to construct a new ARU.

6.0 What do I need to submit to the Town to obtain a building permit for a new ARU?

Documents required for ARU within an existing house:

- Schedule 1 Designer Information Form filled out by a qualified designer.
- Existing floor plans for all floors within the house.
- Proposed architectural floor plans for the new ARU signed by the Schedule 1 designer.

Documents required for ARU with addition to existing house:

- Schedule 1 Designer Information Form filled out by a qualified designer.
- Proposed plan showing the location of the proposed addition.
- Existing floor plans for all floors within the house.
- Proposed architectural plans signed by the Schedule 1 designer including:
 - Proposed foundation and floor plans
 - Elevations
 - Wall/Building Sections
 - Floor joist and roof truss designs
 - Energy efficiency Design Summary (EEDS) form completed by the Schedule 1 designer.

Note: All required design drawings shall be to scale.

Documents required for converting an existing detached structure:

- Schedule 1 Designer Information Form filled out by a qualified designer.
- Proposed plan showing the location of the existing detached structure being converted to an ARU.
- Proposed architectural plans for the new ARU signed by the Schedule 1 designer including:
 - Proposed Floor Plan
 - Elevations
 - Wall/Building Sections
 - Energy Efficiency Design Summary (EEDS) form completed by the Schedule 1 designer.

Documents required when constructing a new detached ARU:

- Schedule 1 Designer Information Form filled out by a qualified designer.
- Proposed plan showing the location of the newly proposed detached ARU.
- Proposed architectural plans for the new detached ARU signed by the Schedule 1 designer including:
 - Proposed Foundation Plan
 - Proposed Floor Plan
 - Elevations
 - Wall/Building Sections
- Energy Efficiency Design Summary (EEDS) form completed by the Schedule 1 designer.
- Roof truss package complete with truss member reports stamped by a Professional Engineer and truss layout signed by the Schedule 1 designer. (Only required if using pre-engineered roof trusses)

Note: Additional documentation may be requested at time of application.

7.0 How do I connect to water, sewer, electricity, gas etc?

You will need to contact the appropriate service providers and, in some cases, a qualified professional that can advise if your current service connections can accommodate the increase in service use, or if you will need to pay to have your services upgraded. In most cases, you should be able to connect through the existing dwelling and/or directly to the street.

Listed below are some of the service providers:

- Town Water and Sewer: Email: jhenderson@tecumseh.ca or call 519-735-2184 ext. 166
- Electrical Services:
 - Essex Powerlines Corporation provides hydro service for customers located north of County Road 22. Phone: 519-737-6640
 - Hydro One provides hydro service for customers located south of County Road 22. Phone: 1-800-434-1235
- Natural Gas Services: Enbridge Gas Phone: 1-888-774 -3111.

8.0 Will my ARU affect my property taxes?

Yes, your property taxes will increase when you create an ARU. General information regarding assessment and property taxes is provided by the Municipal Property Assessment Corporation (MPAC).

You may contact MPAC at:

1695 Manning Road, Unit 195
Tecumseh (Ontario) N8N 0H5
Phone: 1-866-296-6722

9.0 Does my ARU need a separate address?

No, a new municipal address will not be required for ARUs created on the same property as an existing dwelling.

However, a new unit number must be created to ensure the safety of people residing in all dwelling units. A new unit number will be added to your existing property at the time that a building permit is issued for your new ARU unit.

10.0 Can an ARU be severed and sold separately?

An ARU provides an additional dwelling unit on a property where a primary dwelling unit already exists. It cannot be severed and sold separately from the primary dwelling unit.

11.0 Do I need to provide additional parking spaces for an ARU on my property?

In addition to the parking required for the primary dwelling on the property, one parking space for each additional ARU is required. For example, a single detached dwelling with a basement apartment ARU will require a total of 3 parking spaces on the property.

12.0 Do I need insurance on my ARU?

Yes. You will need to contact your individual property insurance provider for quotes and information on insurance coverage for your ARU.

13.0 Does my ARU need a separate address?

No, a new municipal address will not be required for ARUs created on the same property as an existing dwelling.

However, a new unit number must be created to ensure the safety of people residing in all dwelling units. A new unit number will be added to your existing property at the time that a building permit is issued for your new ARU unit.

CONTACT US

To get more information about building a new ARU on your existing property, please contact:

pdocherty@tecumseh.ca

519-735-2184 ext. 182

Website:

www.tecumseh.ca/ARU

Address:

917 Lesperance Road

Tecumseh, ON N8N 1W9



@TOWNOFTECUMSEH