

To: Warden and Members of County Council

From: Director of Community Planning

Supplemental Report Proposed Official Plan Amendment (OP 22-16-9) Additional Residential Units in Rural Areas

RECOMMENDATIONS

1. That Oxford County Council approve Application No. OP 22-16-9, initiated by the County of Oxford, to amend the Official Plan to implement Additional Residential Units in the rural areas of the County;
2. And further, that Council approve the attached Amendment No. 285 to the County of Oxford Official Plan;
3. And further, that the necessary by-law to approve Amendment No. 285 be raised.

REPORT HIGHLIGHTS

- The Planning Act requires municipalities to enact Official Plan policies and Zoning By-law provisions to allow for the establishment of 'additional residential units (ARUs)' in a single detached, semi-detached and rowhouse dwelling, and/or in a building or structure ancillary to such dwellings.
- On January 26, 2022 ([Report CP 2022-16](#)) County Council directed Planning staff to initiate an amendment to the County Official Plan with respect to additional residential units in the County's rural areas and undertake consultation with the five Townships and the public as part of the policy review process.
- A report outlining proposed changes to the Official Plan policies and a summary of input received from Township Councils and staff, County staff, and the public was provided to County Council on September 14, 2022 ([Report CP 2022-332](#)). Further comments from Council and the public were provided at the Public Meeting under the Planning Act, held on September 14, 2022, and are described in this supplemental report.
- Council also directed staff to consult with MMAH with respect to the process for incorporating the necessary ARU policy references into the Council-approved OPA 269 (agricultural policy updates) that is currently under review by MMAH. Planning Staff have further reviewed the proposed amendments to the agricultural policies pertaining to ARUs

in the context of the MMAH approval process and, in the interests of timing, are now recommending that the proposed revisions to those policies be excluded from this amendment. The revised draft proposed Official Plan Amendment 285 is included as Attachment 1 to this report.

Implementation Points

The proposed amendments will be implemented in accordance with the relevant objectives, strategic initiatives and policies contained in the Official Plan. Further, once the Official Plan amendment has received County Council approval, each of the Township's will need to initiate updates to their Zoning By-laws, and consideration of any other local tools and/or measures deemed necessary or appropriate, to reflect and implement the new ARU policy direction.

Financial Impact

The approval of this amendment will have no financial impact beyond what has been approved in the current year's budget. However, it should be noted that the establishment of a substantial number of ARUs in a particular community could result in increased demand for municipal services and/or infrastructure without the ability by the County and/or Area Municipalities to collect Development Charges (DCs) to offset any of the costs, as such units are exempt from DCs under the Development Charges Act.

Communications

A Public Meeting under the Planning Act was held at County Council on September 14, 2022. The Notice of Public Meeting was advertised in local newspapers, posted on the County website and provided to agencies and stakeholders that were considered to have an interest in the proposal, as well as other persons and groups that had indicated interest in the proposed amendments in accordance with the Planning Act.







Further details regarding consultation with Township staff and Councils, County staff and the public is provided in [Report CP 2022-332](#) and below.

Supplementary communication of the proposed amendments and updates have been provided continuously by way of social media and a project-specific webpage on the County's Speak Up Oxford platform.

If the proposed Official Plan amendment is approved by County Council, notice of the decision will be advertised in local newspapers in accordance with the requirements of the Planning Act as well as provided directly to those persons, groups and agencies that have expressed interest in the matter. Notice will also be posted to the County website and Speak Up Oxford.

For Council's information, the Planning Act restricts appeals of official plan policies and zoning by-law provisions regarding ARUs so that only the Minister of Municipal Affairs and Housing has the right to appeal municipal decisions on such matters to the Ontario Land Tribunal (OLT).

Strategic Plan (2020-2022)

					
WORKS WELL TOGETHER	WELL CONNECTED	SHAPES THE FUTURE	INFORMS & ENGAGES	PERFORMS & DELIVERS	POSITIVE IMPACT
		3.ii. 3.iii.	4.i. 4.ii.		

DISCUSSION

Background

The Provincial Government has made amendments to various legislation and policies to place a stronger focus on increasing housing availability, choice and affordability as a matter of Provincial interest. One of the ways the Province has chosen to further this interest is by requiring municipalities to enact Official Plan policies and Zoning provisions to allow for the establishment of 'additional residential units (ARUs)' in a single detached, semi-detached or row house dwelling and/or within a building or structure ancillary to such dwellings. This Provincial direction on ARUs is largely provided through Bill 108 - *More Homes, More Choice Act*, which was passed on June 6, 2019, and through Ontario Regulation 299/19, which came into effect on September 3, 2019.

Further to the above noted Provincial direction, County Council directed Planning staff to initiate an amendment to the County Official Plan with respect to additional residential units (ARUs) in the County's rural areas (i.e. the five townships) on January 26, 2022 ([Report CP 2022-16](#)).

In early 2022, Planning staff had initial discussions with County and Township staff with respect to implementation of the provincial direction on ARUs in the rural areas. Draft Official Plan policies were subsequently developed and circulated to Township staff and Councils, Oxford County Public Works and Oxford County's Manager of Housing Development, and posted to Speak Up Oxford for public review and comment throughout May-August 2022.

A report outlining proposed changes to the Official Plan policies and a summary of input received from Township Councils and staff, County staff, and the public was provided to County Council on September 14, 2022 ([Report CP 2022-332](#)). Further comments from Council and the public were provided at the Public Meeting under the Planning Act, held on September 14, 2022, and are described in this supplemental report.

Council also directed staff to consult with MMAH with respect to the process for incorporating the necessary ARU policy references into the Council-approved OPA 269 (agricultural policy updates) that is currently under review by MMAH. However, the County subsequently received a letter from MMAH indicating that the Minister is suspending the 120-day review timeline for Official Plan Amendment 269 (which was received by MMAH on June 16, 2022), which suggests that the normal timeline for Provincial approval of that amendment is not likely to be met.

As such, Planning staff have further reviewed the proposed amendments to the agricultural policies regarding ARUs and determined that, given that those amendments comprise only minor policy cross references and terminology changes, proceeding without those amendments will not hinder the implementation of ARUs in the agricultural area. Accordingly, staff are recommending that the previously proposed amendments to the agricultural policies with respect to ARUs be excluded from the proposed OPA 285 and/or addressed through clarification elsewhere in the proposed ARU policies. That said, staff will look at initiating housekeeping amendments following MMAH approval of OPA 269 to ensure the appropriate terminology and policy references for ARUs are incorporated into the policies for the agricultural area in a timely manner.

Comments

An overview of the current legislative and policy framework that applies to ARUs, as well as a summary of comments received through the consultation process and related land use planning and implementation considerations was provided in [Report CP 2022-332](#).

Input and Comments at the Public Meeting

Further comments were received at the Public Meeting held at County Council on September 14, 2022, and are described below.

The one public presentation urged for consistent policies and zoning provisions for ARUs across the County. Further, that housing affordability be given a high priority in County policies and that opportunities for smaller housing types be promoted and supported. The need for the proposed minimum lot area requirement of 0.6 ha (1.48 ac) for establishing an ARU in an ancillary structure on a privately serviced lot was also questioned, as it was felt it may substantially limit the number of properties where an ARU could be established.

A member of Council also expressed concern that the proposed minimum lot area may be too restrictive and limit the establishment of ARUs in many rural settlement areas. To get a better understanding of this, it was asked if Planning staff could provide an estimate of how many properties within the rural settlement areas would meet the proposed minimum lot area requirements for ARUs.

Another Councillor commented that consistent zoning provisions across the area municipalities would be ideal, but may not be possible. They also expressed general support for measures to protect private drinking water supplies, including a reasonable minimum lot area standard for ARUs on private sanitary services.

Township of Blandford-Blenheim Council Resolution

The Council of the Township of Blandford-Blenheim received a copy of staff report CP 2022-332 and passed the following resolution with respect to the draft Official Plan policies at their regular meeting of September 21, 2022:

That Whereas the County of Oxford has circulated the proposed amendment to the Official Plan (OP 22-16-9) pertaining to additional residential units in rural areas; and,

Whereas a minimum lot area of 0.6 ha (1.48 ac) for lots without municipal wastewater services has been suggested in the draft policy;

Be it Resolved that correspondence be forwarded to the County of Oxford requesting that site specific flexibility in the minimum lot area be considered in instances where technical studies show lots of a smaller size can accommodate adequate septic services.

Consideration of Comments Received

With respect to the comments regarding consistency in ARU policies and Zoning throughout the County, the intent is that the proposed policies for ARUs in fully serviced settlement areas (i.e. Woodstock, Tillsonburg, Ingersoll and the Serviced Villages in the Townships) will be consistent throughout the County, as will the policy approach for ARUs in unserviced settlements and agricultural areas, which will be identical for all five Townships. However, given that Zoning in Oxford is administered at the Area Municipal level, and the policies provide for some reasonable flexibility for local implementation (i.e. through zoning), there may be minor variations in the local Zoning provisions and approach for ARUs across the County. Planning staff are working closely with the Area Municipalities with a view to developing a consistent approach to local Zoning provisions throughout the County.

With respect to the minimum lot area requirement and ensuring there are a broad range of opportunities to establish ARUs in the County's rural areas, Planning staff offer the following additional information and commentary:

- There is currently no minimum lot area specified in the Official Plan for a single detached dwelling or a converted dwelling (i.e., a single detached dwelling that has been converted to contain two dwelling units). However, the Township Zoning By-laws all contain specific minimum lots areas for such dwellings on both full municipal services and on private services. In areas where sanitary sewers are not available, the minimum lot area for a single detached dwelling is currently 2,800 m² (0.28 ha/0.69 ac) and for a converted dwelling is 0.4 ha (1.0 ac.). In areas with full municipal services, the minimum lot area is typically 450 m² (4,844 ft²) for a single detached dwelling and 600 m² (6,458.5 ft²) for a converted dwelling.

The minimum lot area requirements for dwellings/lots proposed to be serviced by individual on-site sewage services (i.e. septic) were established a number of years ago based on the recommendations of Oxford County Public Health, who was the body responsible for the approval of septic systems in the County at that time. It is noted that these requirements are similar to those required in other jurisdictions and are considerably less than the typical minimum lot size standard of 1 ha (2.47 ac) for a dwelling on private services set out by the Province (i.e. as per document D-5.4 – Standards for individual On-Site Sewage Systems).

- The proposed ARU policies would require that “the existing principal dwelling and lot are of sufficient size to accommodate the creation of additional residential unit(s) and to provide adequate off-street parking, landscaping, stormwater management, and outdoor amenity areas without detracting from the visual character of the lot or area”. It is proposed that the minimum lot area requirement for an ARU within a principal dwelling would be

specified in the Township Zoning By-law and based on the current zoning provisions for a single detached or converted dwelling, as determined to be appropriate. With respect to ARUs in an ancillary structure on a lot that is serviced by individual on-site sewage services (i.e. a septic system), the proposed policies require a minimum lot area of 0.6 ha (1.48 ac) to ensure adequate space for the detached building containing the ARU, parking, stormwater management, as well as an upgraded or second septic system.

- To provide an indication of the potential opportunities to establish ARUs in the five Townships as requested by Council, Planning staff have prepared the following estimates of the number of residentially zoned lots that would appear to meet the proposed and/or anticipated minimum lot area requirements for ARUs:
 - Approximately 3,850 to 4,600 lots in rural settlements served by full municipal services (i.e. Serviced Villages), would appear to have sufficient lot area to accommodate an ARU within the principal dwelling and/or in an ancillary structure, based on the current minimum lot area requirements in Zoning.
 - In areas of the Townships not served by sanitary sewers (both settlement and non-settlement):
 - Approximately 2,050 lots have a lot area greater than 0.28 ha (0.67 ac), which is the minimum lot area for a single detached dwelling. Of these lots, approximately 1,450 have an area greater than or equal to 0.4 ha (1.0 ac), which is the current zoning standard for a two unit converted dwelling, so should likely be large enough to accommodate an ARU in the principal dwelling.
 - Approximately 650 lots have a lot area greater than or equal to 0.6 ha (1.48 ac), which is the minimum lot area currently set out in the proposed policies for the establishment of an ARU in an ancillary structure.

Therefore, as a conservative estimate, there would appear to be approximately 5,300 to 6,050 existing residential lots in the five Townships that would probably be of sufficient size to accommodate at least one ARU. These figures do not include the over 6,000 agriculturally zoned lots and commercial/mixed-use zoned lots in the five Townships, many of which could also potentially accommodate one or two ARUs under the proposed policies. As such, it is the opinion of Planning staff that the proposed policy framework will provide substantial opportunity and flexibility for the establishment of ARUs in the rural areas, while continuing to ensure that they are appropriate for the level of services available, with no long term negative impacts.

With respect to the request from Township of Blandford-Blenheim Council to consider providing site specific flexibility in the minimum lot area in instances where technical studies can show that lots of a smaller size can accommodate adequate septic services, Planning staff offer the following comments:

- Within the current policy framework, an Official Plan Amendment would be required to consider site specific flexibility on lot area and would not be supportable from a planning perspective, unless it could be clearly demonstrated that the site conditions are suitable for the long-term provision of private on-site sewage services with no negative impacts, as required by Provincial Policy.
- Although there may be merit in providing site specific flexibility on minimum lot area via study in certain circumstances, the Official Plan does not currently include specific

assessment/study criteria to guide how compliance with the above noted PPS requirement would need to be demonstrated (i.e., the type and scope of studies that would be required, what to measure, what impacts are acceptable, and implementation and monitoring) and in what circumstances it could be considered. As such, the minimum lot area requirement in the proposed Official Plan policies is intended to provide reasonable flexibility to allow for the establishment of an ARU on a privately serviced lot without the need for such study.

- Therefore, if further flexibility is desired in this regard, Planning staff would recommend that a review of appropriate policy criteria and standards be undertaken to develop more detailed direction for all proposed development on private services in the County (i.e. not just ARUs). This may involve a comprehensive technical review of hydrogeological conditions across the County and/or research regarding best practices for assessment, monitoring and consideration of cumulative impacts. To this end, Planning staff have had discussions with other municipalities in Southwestern Ontario and the Greater Golden Horseshoe (e.g., City of Hamilton, County of Huron, County of Bruce) who have recently been reviewing their requirements and standards for private wastewater services and anticipate bringing forward a report to Council sometime in 2023 to facilitate further discussion in this regard.

For the above reasons, Planning staff continue to recommend that the minimum lot area requirement for ARUs on private sewage services in the proposed Official Plan policies be maintained, until such time as a comprehensive assessment of appropriate standards and study requirements for development on private services in the County is completed. If such a review indicates potential for site specific flexibility on minimum lot size for ARUs on private services in certain circumstances, then the policies can be amended at that time.

Conclusions

Planning staff are of the opinion that the draft Official Plan Amendment 285 attached to this report as Attachment 1, provides a reasonable, effective and flexible approach for the implementation of ARUs within the rural areas of the County, having regard for matters of provincial interest and is consistent with Provincial legislation and policy, while also reflecting the interests of the County and the Townships.

Planning staff are recommending that County Council approve the attached Official Plan Amendment 285, which has been amended to exclude amendments to the existing agricultural policies to avoid the uncertainty and delay anticipated from trying to coordinate with MMAH approval of the County's agricultural policy amendment (OPA 269). Instead, to ensure clarity with respect to surplus farm dwelling severances and ARUs, the draft Official Plan Amendment has been amended to include a policy stating that ARUs must remain with the principal dwelling. Once the County's agricultural policy amendments have received final approval from MMAH, Planning staff will review those policies to determine if any minor amendments are required to ensure consistency with respect to ARUs and undertake a housekeeping amendment, if required.

In previous versions of the amendment, all policies related to converted dwellings were proposed to be removed as being redundant. However, converted dwellings containing more than two units may be a desirable form of development in settlement areas with full municipal services, even with the introduction of policies for ARUs. As such, Planning staff are proposing to restore the policy basis for those dwelling types in the current amendment.

Once the proposed ARU policy amendments are approved by County Council, each of the Townships will be in a position to proceed with amendments to their respective Zoning By-Laws as required by the Planning Act and the proposed Official Plan policies. Further, each Township may also choose to consider various other local tools, such as site plan control or licensing, that may be deemed necessary or appropriate to provide the desired local direction and requirements for the establishment of ARUs. Planning staff will continue to assist the rural Townships with development of Zoning By-law provisions and other tools, as necessary, as well as facilitating further agency and public consultation.

SIGNATURES

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ATTACHMENTS

Attachment 1 - OPA 285