





REPORT TO: Planning and Strategic Initiatives Committee

DATE OF MEETING: June 13, 2022

SUBMITTED BY: Rosa Bustamante - Director of Planning, 519-741-2200 ext. 7319

PREPARED BY: Richard Kelly-Ruetz, Senior Planner, 519-741-2200 ext. 7110

WARD(S) INVOLVED: All Wards

DATE OF REPORT: May 25, 2022

REPORT NO.: DSD-2022-274

SUBJECT: Additional Dwelling Units (Detached) – Year 1 Review

RECOMMENDATION:

For Information.

REPORT HIGHLIGHTS:

- This report updates Council on an approved 2021 Zoning By-law Amendment which allowed Additional Dwelling Units (Detached) and Semi-Detached Duplexes.
- Between June 2021 and the date of this report, 30 building permits have been issued: 21 for Semi-Detached Duplex units, and 9 for Additional Dwelling Units (Detached). This report focuses on the latter.
- Surveys were sent to applicants and residents to gather feedback. The approvals
 process and zoning are generally effective though timing could be quicker. Nearby
 residents were somewhat supportive of backyard homes and shared specific impacts.
- Staff will continue to monitor the uptake of Additional Dwelling Units (Detached) in Kitchener including exploring opportunities to simplify zoning and streamline the approvals process.

BACKGROUND:

In 2021, Council approved a Zoning By-law amendment (DSD-2021-9) which permitted the following "Additional Dwelling Units" in Kitchener's Zoning By-laws:

- 1. Additional Dwelling Unit (Detached). Backyard home, tiny house, garden suite, etc.
- 2. **Semi-Detached Duplex**. This is when one 'half' of a semi-detached dwelling adds a second unit, typically in the basement.

The amendment fully implemented 2019 changes to the Planning Act (Bill 108) which required municipalities to allow additional dwelling units in single detached, semi-detached, and street townhouse dwellings. In Kitchener, these uses are now permitted in the applicable low-rise residential zones of Zoning By-law 85-1 (older zoning) and Zoning By-law 2019-

051 (newer zoning). Staff committed to Council to return after 1 year with an update report on uptake and observations on Additional Dwelling Units; that is the purpose of this report.

REPORT:

As of the date of this report, a total of 30 building permits have been issued since the new zoning came into effect on June 1, 2022. Specifically:

- 21 building permits for **Semi-Detached Duplex** units have been issued. Most were within existing Semi-Detached Dwellings where a new basement unit was added.
- 9 building permits for **Additional Dwelling Unit (Detached)** have been issued. Around 20 more are in the approvals process.

30 building permits for new semi-detached duplex and additional dwelling (detached) units have been issued as a direct result of the zoning by-law amendment approved by Council in 2021.

This is a rate of about 1 new unit every 2 weeks.

The remainder of this report will focus on the uptake and observations of Additional Dwelling Units (Detached), referred to herein as "backyard homes" constructed since June 2021.

Backyard Homes

The City has a two-step approvals process for backyard homes: (1) Site Plan and (2) Building Permit. When the site plan is approved, a courtesy letter is mailed to properties within 30 metres advising them of possible upcoming construction.

Scoped Site Plan (\$522)

- Confirms zoning compliance (setbacks, floor area, etc.)
- Reviews building and parking layout
- Considers affected trees & emergency access

Building Permit (costs vary)

• Reviews plans and drawings to confirm requirements of the Building Code are met

To understand how the process and rules for backyard homes were working for applicants and surrounding residents, the following questions were asked through a survey that was sent to all applicants who have applied for a site plan and to all property owners who live within 30 metres of two completely constructed backyard homes.

- How is the site plan application process and zoning regulations perceived by applicants and staff?
- How are backyard homes perceived by surrounding residents?

This report summarizes the feedback obtained through the survey, staff's observations on the process and rules for backyard homes, and next steps.

Applicant Feedback: Site Plans for Backyard Homes (9 responses received)

- Two thirds of respondents generally found the site plan submission requirements 'clear'. Specific feedback was provided to clarify the application form and these changes have already been made.
- Nearly all respondents (7 of 9) found the backyard homes webpage to be helpful as they navigated the approvals process (www.kitchener.ca/backyardhomes).
- 4 of 9 respondents felt the site plan application process "took too long". In the feedback section, the need for a "streamlined" process was highlighted several times.
- Overall, there were mixed views of the site plan application process for backyard homes. 4 respondents rated it less favourably, and 5 respondents provided a favourable review. The length of time and/or "unnecessarily complicated" requirements were noted as additional feedback.

Applicant Feedback: Zoning Requirements for Backyard Homes (9 responses received)

- Most applicants were able to meet the 13.1 metre lot width (frontage) requirement.
 Several respondents asked that this minimum be reduced as it is not clear why it is in place. One respondent noted that they limited their property search to only properties which met the 13.1 metre frontage requirement.
- No concerns were raised with the minimum lot area requirement of 395 square metres. One respondent noted it "seems appropriate".
- The zoning requires the main house to have a 1.2 metre setback on both sides. Some commentary was provided questioning why this requirement is in place. Most respondents did not have an issue with this requirement. 2 respondents noted they had trouble finding a property which met this requirement.
- No issues were raised with the requirement that the backyard home must be setback 0.6 metres from the side and back property lines.
- The square footage of the backyard home is limited to 50% of the side of the main house to a maximum of 80 square metres. Most respondents (6 of 9) had mixed or negative views on the 50% regulation; where the main house is small, the size of the backyard home is constrained, even if it is a large lot.
- The maximum building height for backyard homes is 4.5 metres measured to the midpoint of the roof. Feedback on this requirement was mixed, with several comments noting that some additional flexibility would allow a usable second storey / loft space under the Building Code.

- Most respondents did not have an issue with the 1.1 metre walkway requirement from the sidewalk to the backyard home which allows emergency access to the unit. One respondent noted it "adds extra costs to our project".
- Satisfying parking requirements was not an issue for any respondents. One comment asked that more parking exemptions be provided.
- Some concerns were raised that the site plan process considers Building Code requirements such as spatial separation (the distance between the main house and the backyard home) at the site plan stage rather than at time of Building Permit. This is done because the spatial separation calculation can impact the physical location of the backyard home on the property. Since the site plan application shows the physical location of the backyard home, it is worth confirming spatial separation during the site plan stage to avoid site plan revisions at the time of Building Permit.

Resident Feedback: Impact on Neighbourhood (5 responses received)

- Most respondents (4 of 5) remembered receiving the courtesy notice when the site plan was approved and would like to continue receiving the courtesy notice if another backyard home is approved.
- 3 out of 5 respondents described the impact of the backyard home on their neighbourhood as "high". The primary concern from respondents is focused on backyard homes being used as a short-term rental (i.e. an Airbnb) and associated challenges with the operation of a short-term rental (i.e. property maintenance, garbage pick-up, traffic, etc.). Staff notes that tenancy and short-term rental units are not currently regulated by the City of Kitchener.
- Some verbatim responses about the neighbourhood impact of backyard homes are:
 - o "Feels like another house fit into existing spaces for good and bad".
 - o "Looks great, I think it's a great idea. Was very interesting watching the construction occur".
 - "Increased garbage and traffic in neighbourhood".
 - "Short-term rentals should not be allowed in the neighbourhood".
 - o "Glad they're approved. I think it's great both for housing opportunities in an ever-growing population and for an income helper in a tough economy".

Staff Commentary: Year 1

26 site plan applications for backyard homes have been received (~2 per month). 14
of these have been approved and can proceed to Building Permit. To-date, 9 of these
have had building permits issued.

- The average approval time for the site plan application is about 10 weeks; excluding three outliers, the average time is about 7 weeks. There has been a high variance in the quality of applications submitted, ranging from excellent quality to poor quality.
- As a general observation the quality of the original submission is highly correlated with length of time the approvals process will take. Staff was intentional in not requiring a "standard template" that each site plan had to be submitted on to increase flexibility for homeowners. In practice, this meant that a wide variety of templates were submitted (from computer-drawn to hand drawn) resulting in a range of staff review time. Staff intend to provide example documents to help guide applicants with the submission of quality drawings.
- When a site plan is submitted that does not meet all submission requirements, applications must be revised and resubmitted before they can move forward. This has caused several applications to be paused and/or delayed pending revisions. There are opportunities to scope submission requirements and further assist applicants with an understanding of the requirements up front to help bridge this gap.
- Administratively, the site plan process has facilitated the subsequent building permit by "clearing" all zoning requirements ahead of a building permit application.
- As this is a new process for the City, some requirements changed mid-way through the year. For example, the Fire department added a new requirement for physical signage on the property. As these changes happened, initiated by other departments, it did have some impact on timelines. Staff are confident that the requirements now in place are the ones that will continue moving forward
- A few applicants would have liked to have added an attached garage to their backyard home. This is challenging without exceeding the maximum floor area rules. Staff will explore flexibility in the floor area maximums to facilitate a small, attached garage. Ensuring the overall scale/massing of the unit remains secondary to the main house would be a key consideration.
- Overall, the zoning regulations in place for backyard homes are achievable on most applications, though some minor variances have been required for rules such as lot width and setbacks. In the coming years, simplification of zoning regulations is worth exploring to expedite the application process and provide more design options.

Next Steps

Staff has heard from applicants who responded to the survey that there is a strong desire for a "more streamlined" approach to approving backyard homes. Staff has also observed that the site plan application process can be administratively challenging, particularly where applications do not meet submission requirements. Staff will continue to explore efficiencies in the approvals process for backyard homes.

As site plan applications are approved, a courtesy notice is mailed to property owners within 30 metres of the approved backyard home to advise them of the approval. Depending on the neighbourhood, between 5 and 20 letters would be mailed. Residents generally seem

to appreciate the courtesy letter. From staff's perspective the courtesy letter is a minor process inefficiency as it is an additional step. **Staff will continue to monitor.**

Overall, the City of Kitchener is still in the early days of permitting backyard homes. Staff and applicants continue to gain more experience navigating the approvals process. Staff continue to strive for a streamlined approach, while balancing other factors such as ensuring the units can be safely accessed by emergency services and confirming that all zoning requirements are met. Going forward, future refinements to zoning may help facilitate a quicker approvals process and staff will continue to monitor progress.

STRATEGIC PLAN ALIGNMENT:

This report supports the delivery of core services.

FINANCIAL IMPLICATIONS:

Capital Budget – The recommendation has no impact on the Capital Budget.

Operating Budget – The recommendation has no impact on the Operating Budget.

COMMUNITY ENGAGEMENT:

This update report primarily utilized the themes of "INFORM" and "CONSULT" from the City's Community Engagement Policy. The following summarizes the community engagement:

- This report has been posted to the City's website with the agenda in advance of the council / committee meeting.
- An online survey was sent by email to each of the 26 applicants who have applied for a site plan application for a backyard home. Staff received 9 responses.
- A mailed letter with a link to an online survey was sent to properties within 30 metres of the 2 backyard homes whose construction is largely complete to gather feedback on their perception of the backyard home in their neighbourhood. Several responses were received which provided input to this report.

PREVIOUS REPORTS/AUTHORITIES:

- DSD-2021-9 Zoning By-law Amendment Additional Dwelling Units
- <u>DSD-2021-76</u> Zoning By-law Amendment Additional Dwelling Units, Parking Requirements Near LRT Stations

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ATTACHMENTS: N/A