

Attachment 1, DS-2025-09  
Expanding Housing Choices and Improving Affordability  
Directions Report, January 2025



## Expanding Housing Choices and Improving Affordability

### Directions Report

WSP Canada Inc. | January 2025



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# 1. Introduction

The Town of Tecumseh is currently undertaking a Study to identify new zoning by-law regulations (and corresponding official plan policies as needed) to allow a broader diversity of residential building types to be constructed as part of existing and new greenfield neighbourhoods. The Town’s Housing Action Plan, the 2024 Provincial Planning Statement, and the amended Ontario Planning Act recognize the significant challenges residents are facing finding places to live that are both affordable and capable of meeting their household needs. The Town has received funding assistance from the Federal Housing Accelerator Fund to complete nine housing initiatives that collectively are intended to improve affordability and expand housing choices in Tecumseh. This Report will provide Council with options and directions as to how Council can successfully implement one of these nine initiatives (HAF No. 1) — rezoning lands to allow up to four housing units as-of-right as part of all low density residential districts in the Town of Tecumseh.

The Study is intended 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.

The work of this Study is divided into four tasks (see **Figure 1**). To date, Steps 1 and 2 have been completed, which included the preparation of a Discussion Paper and consultation with Town Council and the public. This Report is part of Step 3 and will provide a basis for further consultation.

**Figure 1: Study Process**



## 2. What We Have Learned

As noted above, the first two components of the Study involved a background review and Discussion Paper which established baseline policy drivers, examined case studies from Canada and the United States, and presented the housing typologies that could be considered. A foundational need for this work is that it be informed by consultation with the Tecumseh community, including Council, stakeholders, and members of the public.

### 2.1 Provincial Requirements

In 2022 the Province of Ontario made changes to the *Planning Act* to require municipal official plans and zoning by-laws to permit, as-of-right, up to three residential units on any property where a single-detached house, a semi-detached house, or a townhouse is permitted. In addition to the primary residential unit, municipalities must permit two additional residential units (ARUs) either within the single-detached house, semi-detached house, or townhouse, or for one to be contained within the primary house, and a second residential unit to be in a detached building on the property. Municipalities may also not require more than one parking space for each of these additional residential units.

In December 2024, the Province adopted changes to Regulation 299/19 that impacts how municipalities can regulate additional residential units. The Province requires that buildings that contain additional residential units must be separated by four metres from other buildings that contain residential units on the same lot. The minimum lot area requirement for a lot with a single-detached house, semi-detached house, or a townhouse are not permitted to be different than that same lot if it were to contain an additional residential unit. Lots that contain additional residential units are also permitted to have a lot coverage of up to 45%. For example, If the Town's Zoning By-law sets out a maximum lot coverage of 30% for single-detached houses, the Province would permit that lot to have 45% lot coverage if it contains an additional residential unit.

### 2.2 Lessons Learned from Case Studies

The Discussion Paper also evaluated how a variety of municipalities have implemented policies and zoning to expand housing choices and permit more housing types, including accommodating four units on a lot. This scan of case studies looked at municipalities in a variety of contexts and subject to varying policy and legislation, including in Ontario, other provinces in Canada, and one example from the United States (Minneapolis, Minnesota).

Municipalities are increasingly taking action to implement more permissive and flexible zoning to permit more housing units to be built on a lot-by-lot basis. This increased flexibility is generally 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:

- Increasing the number of housing units in existing neighbourhoods is broadly recognized to support housing affordability in areas where people already live. In Minneapolis, housing

reforms have resulted in increased supply and rent prices that have grown at a slower rate than comparable cities.

- Revising zoning requirements to allow for smaller residential lots and more varied housing types is becoming common across Canada.
- Permitting semi-detached houses in all residential zones is a practice observed 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.
  - For example, the Town of Lasalle permits singles and semis that can accommodate additional residential units in the R1 Zone, and additionally permits duplexes, triplexes, and fourplexes in the R2 Zone.
- Many of the municipalities examined permit townhouses in all residential zones. In some cases, such as the City of 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 up to 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, the City of London first implemented multi-unit zoning by an amendment that changed the maximum number of additional residential units from “two” to “three”.

## 2.3 Consultation

At the time of this Report, WSP and the Town have engaged in several consultation events to provide information and education around this Study, and to solicit feedback. This included presenting the findings of the Discussion Paper at a meeting of Town Council on July 9, 2024, and a Public Open House on August 15, 2024.

On December 10, 2024, a Council Orientation session was held to provide Town Council with an update on the project. This presentation included a summary of the primary project drivers



including the relationship of the Study to HAF funding, the main findings of the best practice review, and a high-level overview of the Options described in Chapter 4 of this Report. Council feedback included the following:

- Generally, Councillors expressed support for the overall objective of making changes to increase the housing supply across the Town. Several members of Council cited the ongoing housing crisis and the Town’s obligation to take action.
- Opinions on Council were mixed on how permissive the Town’s planning framework should be in permitted denser forms of housing, particularly four units on a lot. Some Councillors expressed the reluctance of their constituents to see substantial change in existing neighborhoods, while others pushed for Council to increase housing permissions Town-wide.
- Several councillors expressed concerns over new, denser housing types “fitting in” with existing neighbourhoods. Town Staff and WSP noted that the intent of the Options presented was to allow for a greater number of units per lot within the existing zoning requirements, including building envelope.
- Council was enthusiastic about setting parameters around where four residential units would be permitted, such as limiting them to larger lots.

The feedback and concerns received through this consultation has been incorporated into the considerations in the following Sections.

## 3. Challenges, Opportunities, and Key Considerations

Through the background review and first round of consultation with the Tecumseh community, certain challenges, opportunities, and considerations were identified which should be balanced in developing directions for implementation in the Town's planning framework. Understanding these issues is key to improving affordability and supply of housing in the Town while respecting principles of good planning and the needs of the Tecumseh community.

### 3.1 Zoning Restrictions and Lack of Housing Options

As of 2021, over 80% of all housing in the Town was in the form of single-detached houses, with few housing options in semi-detached, duplex, townhouses, or small- and medium-sized apartment buildings. The Town's current Zoning By-laws, adopted in July 2017 (Tecumseh), October 2018 (St. Clair Beach), and June 2019 (Sandwich South) reflect this lack of housing diversity, and in many areas do not permit those types listed above even while they are contemplated by the Town's other policies and plans. A recent amendment to the South Sandwich Zoning By-law, adopted on October 11, 2022, permits one additional residential unit within single-detached, semi-detached, and townhouse dwellings, and an additional residential unit as a standalone to those housing types. However, Provincial legislation would mean that up to three dwelling units are permitted within all single-detached houses, semi-detached houses, and townhouses, regardless of the permissions in the Town's zoning by-laws. The Town's zoning by-laws are out of date and a new Comprehensive Zoning By-law is being drafted for adoption by Council.

As a result, there is a need to update the Town's Zoning By-law, which regulates what types of houses can be built, where, the location, the size and height of buildings, the amount of landscaping provided, and off-street parking. Increasing permissions can enable different housing types to develop that can accommodate the changing demographics of the Town without residents needing to leave the Town.

### 3.2 Affordability

Access to affordable housing is the primary issue for many people in Windsor-Essex according to a recent survey<sup>1</sup>. Three key contributors to the increasing cost of housing in Tecumseh are

1. a constrained supply of housing;
2. that the majority of housing in Tecumseh is owner-occupied, single-detached housing, which is the least affordable type of housing; and
3. the high cost of providing serviced residential land, which can exceed \$6,000 per linear foot of roadway for residential lands.

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

There is an opportunity to reduce the downstream cost of housing by permitting denser housing types that make efficient use of existing services such as water, roads, sewers, stormwater management and utilities. Allowing for a wider range of housing types and sizes also provides more options for those in Tecumseh who may not be able to afford to live in a single-detached house.

### 3.3 Going Beyond Minimum Provincial Requirements to Expand Housing Choices

As noted above, the *Planning Act* currently permits up to three units on a lot wherever a single-detached house, semi-detached house, or townhouse is permitted. The Town's Zoning By-Laws require update to reflect this requirement, but the case study review shows that there may be opportunity to expand permissions for up to four units on a lot, provided regulations establish responsible and appropriate requirements related to the considerations and potential concerns detailed below.

### 3.4 Parking and Garages

The Town has generally evolved based on residents having access to a car. Directions to expand housing choices will therefore need to ensure that there is provision of adequate parking for all housing types. Without adequate off-street parking, residents will be forced to park on the street, which can cause traffic, snow removal, and garbage collection challenges. On the other hand, covering an entire front yard with parking is also undesirable. Any directions for parking must conform with the *Planning Act* requirements and not require more than one parking space per additional residential unit. Directions should also ensure that parking is provided in a responsible manner.

### 3.5 Traffic

Adding more households to existing neighbourhoods may be perceived to increase local traffic on neighbourhood streets. However, these changes will be gradual and incremental and likely have negligible impacts on traffic conditions. Further, given the incremental nature of the change, this will allow the Town to monitor and evaluate changes to traffic and consider appropriate actions when conditions warrant.

### 3.6 Servicing

As the number of households within neighbourhoods gradually increases over time, the demand for water and wastewater servicing may increase as well. This consideration must be compared to the changes in demand that will be expected from more efficient water appliances, different patterns of water and wastewater use that comes from demographic changes and smaller households, and the benefits achieved from ongoing system-wide municipal infrastructure improvements. Notwithstanding changes to water usage, which are expected to be negligible, changes are expected to be gradual and incremental over a long period of time. Water and wastewater servicing





will be regularly monitored and evaluated to identify any concerns and consider appropriate actions.

### **3.7 Landscaping and Tree Cover**

Landscaping and tree cover are important features of the Town's urban areas, and increased housing choices should not come at their expense. It is common practice to require that a certain portion of a property be landscaped area, and for development applications to consider the presence of existing trees. The directions in this report will consider regulations to ensure that adequate landscaped areas can be provided.

### **3.8 Neighbourhood Look and Feel**

While the type and tenure of housing in Tecumseh has been evolving over the last decade, the Town is primarily comprised of low-density housing forms and a generally consistent scale. Renovations, additions, new coats of paint, and landscaping are all acceptable forms of change to the neighbourhood when they are done gradually, even though they can represent an incremental evolution in the look and feel of the neighbourhood over time. Maintaining the look and feel of residential neighbourhoods does not mean that everything must remain as it is today. Directions should ensure that any expanded permissions for housing types are incremental to the existing permissions, consider gradual change, and fit in with the look and feel of the existing neighbourhoods.

### **3.9 Garbage**

More houses and households will produce more waste that must be collected and dealt with through waste collection services. Waste must also be stored somewhere until collection day when it is placed at the street for collection. The changes to land use permissions considered in this Study do not alter by-laws that regulate how garbage is stored on private properties, nor does it change how the Town collects refuse and recycling town wide.

### **3.10 Loss of Privacy**

Currently, three-storey residential buildings are permitted as-of-right in all residential zones. Additionally, the Town requires houses and detached additional residential units to be set back a certain distance from neighbouring lots, both from the side and the rear. The results of this Study will not permit houses to be built taller or closer to the lot lines than are currently permitted. Current permissions allow for large houses and detached additional residential units; whether those houses contain one or more separate dwellings units does not change the massing, location, or height of what will be permitted on the lot and therefore there should be no loss of privacy.

### **3.11 Property Values**

There is no professional evidence that has demonstrated that property values would be negatively impacted, nor is it an accepted independent variable used in professional land use planning



analysis. It is appropriate, however, to consider issues of compatibility, good urban design and proper integration in the process of evaluating potential impacts.

## 4. Options

Three options for expanding housing choices and improving affordability through permitting up to four units on a lot were developed for discussion purposes and were presented to Council on December 10, 2024. The options were subsequently posted on the Town's PlaceSpeak website for public awareness and to provide community feedback. The three options are discussed below. Information with respect to various building typologies that are described as part of the Options can be found in the Town document titled "Expanding Housing Choices and Improving Affordability: Discussion Paper", dated July 31, 2024.

### 4.1 Option 1:

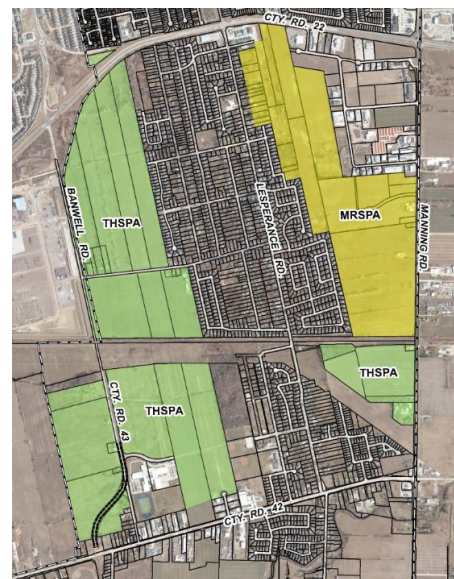
- On all residential lots in undeveloped **greenfield areas**, permit up to **four units per lot**, either as additional residential units in single-detached housing, or as a duplex, triplex or a fourplex.
- On all residential lots **in existing neighbourhoods**, permit up to three residential units per lot in single-detached and semi-detached houses according to **minimum Provincial requirements**, which reflects the current permissions in the Town's Official Plan.

### 4.2 Option 2:

- On **all residential lots Town-wide**, permit up to **three additional residential units per lot (for a total of four housing units per lot)** in a single-detached house or combined with an accessory structure.

### 4.3 Option 3:

- On **all residential lots Town-wide**, permit single-detached houses, semi-detached houses, duplexes, triplexes, and fourplexes, and permit up to three additional residential units in these housing types to a maximum of four residential units.



**Figure 1:** Map related to Option 1 showing greenfield areas in the Town, including the Tecumseh Hamlet Secondary Plan Area (THSPA) and the Manning Road Secondary Plan Area (MRPSA).

## 5. Recommended Option

Based on the findings of the Discussion Paper, feedback from consultation, and the considerations established in Section 3 of this Report, it is recommended that Council consider amending the Town's existing Zoning By-laws as described below.

In arriving at a recommended option to responsibly implement regulatory zoning changes to implement HAF Initiative One, there is a need to balance the goal of expanding housing choices and improving affordability, with adequate regard to the following important considerations:

- 1) Ensure that all residential lots continue to have adequate off-street parking for all of the permitted residential dwelling units;
- 2) Build on the ARU regulatory framework already established by the Province of Ontario;
- 3) Recognize existing servicing constraints;
- 4) Ensure that there is adequate landscaped open space in the front yards and that off-street parking is suitably located;
- 5) Recognize limitations in regulated flood prone areas;
- 6) Maintain the feel and look of existing low density residential neighbourhoods.

The existing Additional Residential Unit regulations in all existing zoning By-laws are recommended to be deleted and replaced with the following new zoning regulations:

### **“Additional Residential Units**

The provisions of this section shall apply to all additional residential units.

#### 1. Permitted Zones

Additional residential units shall be permitted within all Residential Zones, in association with the following uses and building types:

- i. Single detached dwellings;
- ii. Semi-detached dwellings;
- iii. Street Townhouse dwellings;

#### 2. Number of Additional Residential Units Per Lot

- a. A maximum of three (3) additional residential units shall be permitted in association with a single detached dwelling, up to a total combined maximum of four (4) dwelling units per lot, for lots which have a minimum lot frontage of 24.4 metres.
- b. A maximum of two (2) additional residential units shall be permitted in association with a single detached dwelling, up to a total combined maximum of three (3) dwelling units per lot, on all other lots.
- c. A maximum of two (2) additional residential units shall be permitted in association with a semi-detached dwelling, and a street townhouse dwelling, up to a total combined maximum of three (3) dwelling units per lot.

3. Regulations Pertaining to Additional Residential Units
  - a. An additional residential unit shall not be permitted on a separate lot from the primary dwelling unit that it is accessory to.
  - b. An additional residential unit or part thereof shall not be permitted in a basement on a lot located in a ERCA regulated flood prone area.
  - c. A maximum of two (2) additional residential units are permitted within a maximum of one (1) accessory building, per lot.
  - d. A detached additional residential unit may only be permitted in the rear yard or interior side yard, and must maintain a minimum separation of 4 metres from other buildings that contain residential units on the same lot.
  - e. The height of an accessory building containing additional residential unit(s) shall not exceed 6.0 metres in height.
  - f. A minimum rear yard setback of 3.0 metres shall apply to an additional residential unit located within an accessory building.
  - g. The minimum side yard setback for an accessory residential unit located within an accessory building shall be 1.5 metres for a single storey building and 3.0 metres for a two-storey building.
  - h. The maximum lot coverage for all buildings on lots where additional residential units are located cannot exceed 45 percent, including the total combined ground floor area of the primary dwelling and all accessory buildings.
  - i. All additional residential units shall be connected to full municipal services with a maximum of one connection per service for each lot.
4. Parking and Driveway Regulations for Additional Residential Units
  - a. One (1) additional parking space is required for each additional residential unit, in addition to the parking spaces required for the primary dwelling.
  - b. Each parking space shall only be located on a permitted driveway and/or within an attached and/or detached garage.
  - c. No parking space shall be located on any landscaped open space.
  - d. On any lot which contains an accessory residential unit, the permitted width of the driveway (for the entire length of the driveway) shall not exceed 40 percent of the total width of the lot. The total width of the lot shall be the horizontal distance measured along the front lot line, as defined in subsection \_\_\_\_\_.”

In addition, the existing ARU policies in the Official Plan for lands designated Residential are recommended to be deleted and replaced with policies that are consistent with the recommended new regulation.

## 6. Next Steps

This Directions Report will be posted on PlaceSpeak and a Public Open House will be scheduled to solicit further feedback.

Following the completion of the preceding consultation on the Directions Report, draft Official Plan and Zoning By-law amendments will be prepared and presented at a statutory public meeting in accordance with the *Planning Act*.