



The Corporation of the Town of Tecumseh

Development Services

To: Mayor and Members of Council

From: Brian Hillman, Director Development Services

Date to Council: Tuesday, May 27, 2025

Report Number: DS-2025-13

Subject: Expanding Housing Choices and Improving Affordability
Housing Accelerator Fund:
Initiative 1 – Pre-Zoning Lands to Allow up to Four Housing
Units As-of-Right as Part of all Low Density Residential Districts
Additional ARU Options
OUR FILE: L11 FED

Recommendations

It is recommended:

That Report DS-2025-13, entitled “Expanding Housing Choices and Improving Affordability, Housing Accelerator Fund: Initiative 1 – Pre-Zoning Lands to Allow up to Four Housing Units As-of-Right as Part of all Low Density Residential Districts, Additional ARU Options”, **be received**;

And that the scheduling of an Open House, to be held on Monday, June 9, 2025 from 1:00pm to 9:00pm, that will provide information on the proposed options for permitting up to 4 units (one single detached dwelling and up to 3 ARUs) in all low density residential districts in accordance with Housing Accelerator Fund Initiative 1 and with Report DS-2025-13, **be authorized**.

And further that the scheduling of a public meeting, to be held on Monday, June 23, 2025 at 6:30 p.m., in accordance with the *Planning Act*, that will provide the public and agencies/stakeholders the opportunity to provide comments to Council on the proposed options of achieving up to 4 units (one single detached dwelling and up to 3 ARUs) in all

low density residential districts in accordance with Housing Accelerator Fund Initiative 1 and with Report DS-2025-13, **be authorized.**

Background

Tecumseh Housing Action Plan

In August of 2023, Council adopted a Housing Action Plan (HAP), incorporating new housing goals, targets and initiatives that would contribute to comprehensive, long-term, positive changes to improve housing affordability and to broaden the range of housing choices available to Tecumseh residents.

Public support for more affordable housing in Tecumseh was recently affirmed by the Town's statistically valid "2025 Town of Tecumseh Resident Satisfaction Survey Results," dated March 25, 2025, undertaken by Nanos Research. On the question, "how much do you think Tecumseh is in need of more affordable housing," 78% of respondents indicated it was needed, with respondents aged 18-34 rating the need as 9 out of 10, with 10 being the highest rating. This local research is consistent with provincial wide polling which has pegged access to affordable housing as a top issue since 2022.

Council's Housing Action Plan set out 10 initiatives for achieving these outcomes. Housing Accelerator Fund Initiative 1 ("HAF Initiative 1") is one of several actions that the Town can take to assist in providing greater housing choices and affordability. This measure would build on provincial requirements under the *More Homes Built Faster Act* for municipalities to allow three units as-of-right on all residential lots, legislation that was passed in 2022.

HAF Initiative 1

The intent of HAF Initiative 1 is to amend the Town's Official Plan and Zoning By-laws to permit up to four dwelling units as part of all low density residential districts in the Town of Tecumseh, subject to compliance with regulations outlined later in this Report.

The objectives of this initiative are to:

- i) allow Tecumseh residents to age in place, remain in their existing neighbourhoods, and downsize to new housing units that can meet their evolving needs;

- ii) support young families and multi-generational households looking to offset housing costs and/or provide more affordable living arrangements where elderly parents/grandparents, adult children, or other family members can live independent lives with dignity in close proximity; and
- iii) broaden the range of housing choices available and increase the supply of housing that is attainable to low and moderate income households.

Town consultants, WSP, in consultation with Administration and MillerSilani Inc. prepared the “Expanding Housing Choices and Improving Affordability: Directions Report” (“Directions Report”), dated January 2025, on this initiative. The Directions Report was attached to Report [DS-2025-09](#).

Leading to the Directions Report, Administration engaged with Council and the public to provide information and education and gather feedback around this Initiative. This included a meeting of Town Council on July 9, 2024, a Public Open House on August 15, 2024, and a Council Orientation Session on December 10, 2024.

The Directions Report has been posted on the Town’s website and PlaceSpeak for public awareness and to provide an opportunity for community feedback since January 30, 2025. In addition, a Public Open House featuring the Directions Report was held February 26, 2025, from 4:00 p.m. to 7:00 p.m. in the Town Hall Council Chambers.

Statutory Public Meeting March 11, 2025

On March 11, 2025, a statutory public meeting was held to discuss the proposed amendments to the Town’s Official Plan and Zoning By-laws to allow a maximum of three ARUs in association with a single detached dwelling. This would permit up to a total combined maximum of four dwelling units per lot subject to the lot meeting the following qualifications:

- having a minimum lot frontage (minimum 80 feet);
- capable of providing the required off-street parking and driveways; and
- able to maintain appropriate landscaped open space areas in front yards.

At present, provincial legislation authorizes two ARUs per property to be constructed on all urban residential lots in Tecumseh, for a total of three dwelling units. Accordingly, this approach would add one additional ARU to qualifying sites. It does not permit existing single detached dwellings to be demolished and new purpose-built four-plexes to be built.

The meeting was well attended with those present indicating opposition to the proposed changes and raising several concerns.

The original intent had been to provide a follow-up report to Council immediately following the public meeting summarizing these concerns with associated planning comments and a final recommendation. This course of action was changed because of subsequent communications with the CMHC.

Input from CMHC

After the statutory public meeting, CMHC met with Administration and advised that the proposed zoning approach to address HAF Initiative 1 was in a form that does not comply with CMHC process. During this meeting, CMHC clarified that multiple options on the means of achieving up to 4 units in all low density residential districts should be brought to the public and Council, and upon appropriate consideration, that Council should select the preferred option for Tecumseh.

CMHC's also clarified newly identified limitations include circumstances where permitting up to 4 units is not appropriate:

- a. rural areas without municipal sanitary sewers and water;
- b. flood prone areas; and
- c. historic buildings and districts.

For the Town to conduct this process and consider these limitations, it was recognized that additional time would be required to undertake the following steps: research and analysis as to best practices from other communities that have received HAF funding, preparation of additional options to meet the intent of HAF, prepare responses to questions and concerns raised to date, and further public consultation and another statutory public meeting. The details of this additional work were outlined in [Report DS-2025-12](#), which was approved at the April 8, 2025 Council meeting.

Comments

Subsequent to the April 8, 2025 Council meeting, additional analysis of other options per CMHC advice for HAF 1 has been completed. Town consultants, WSP, in consultation with Administration and MillerSilani Inc. have prepared a report entitled "HAF Initiative 1: Final Report" ("WSP Final Report"), dated May, 2025 to provide a comprehensive update to Council and the community following the Public Meeting of Council held on March 11, 2025 (see Attachment 1). Mr. Will Lamond of WSP will

attend the May 27, 2025, Council meeting as a delegation and will present the power point attached to this Report as a summary review of the WSP Final Report (see Attachment 2). Mr. Larry Silani of MillerSilani Inc will also be at the meeting as part of the delegation.

The WSP Final Report serves several purposes:

1. To provide an overview of additional research completed since the public meeting, including a review of Provincial legislation, Canadian legal precedent, and best practices from other Canadian municipalities.
2. To respond to public and stakeholder feedback following the release of the Discussion Paper and the Directions Report completed earlier in this Study, addressing questions and points of clarification; and
3. To set out a range of policy and regulatory options for Council’s consideration, outlining potential amendments to the Town’s Official Plan and Zoning By-law to permit up to three ARUs plus the principal dwelling per residential lot in the Town’s low density residential areas, in accordance with CHMC’s direction.

Options that are contained in the WSP Final Report are outlined below and summarized in more detail in Attachment 3. The options are organized from the least “permissive” (Option A) to the most “permissive” (Option D), and they are all capable of delivering new zoning regulations that maintain the look and feel of existing Tecumseh neighbourhoods while meeting the Town’s commitments under the executed HAF Agreement. In addition, the WSP Final Report identifies the Floodprone Area, within which none of the options will be permitted (see also Attachment 4).

Option	Details
A	Up to three ARUs will be permitted on lots with a minimum 24.4 metre (80 foot) frontage.
B	Up to three ARUs will be permitted on lots with minimum 18.0 metre (60 foot) frontage.
C	Up to three ARUs will be permitted on all lots. A minimum of 30% of the lot area will be landscaped open space.

Option	Details
D	<p>Up to three ARUs will be permitted on all lots.</p> <p>The minimum landscaped open space requirement of the given zone will apply.</p>

In addition to the foregoing, the WSP Final Report provides statistical data related to:

- Housing needs in Tecumseh as identified by the March 2025 Tecumseh Resident Satisfaction Survey; and
- Historic Additional Residential Unit (ARU) construction in Tecumseh and the local municipalities in Essex County.

The WSP Final Report has been posted on the Town's website and PlaceSpeak for public awareness and to provide an opportunity for community feedback. In addition, the following public engagement opportunities are proposed:

1. an Open House, to be held on Monday, June 9, 2025 from 1:00pm to 9:00pm, that will summarize the WSP Final Report and provide information on the proposed options for achieving up to 4 units (one single detached dwelling and up to 3 ARUs) in all low density residential districts in accordance with HAF Initiative 1 and with Report DS-2025-13;
2. a public meeting, to be held on Monday, June 23, 2025 at 6:30 p.m., in accordance with the *Planning Act*, that will provide the public and agencies/stakeholders the opportunity to provide comments to Council on the WSP Final Report and the proposed options of achieving up to 4 units (one single detached dwelling and up to 3 ARUs) in all low density residential districts in accordance with HAF Initiative 1 and with Report DS-2025-13.

A further staff report will be prepared and presented at the July 22 RCM, summarizing the comments received by way of the preceding public engagement events.

It should be noted that the Municipalities of Lakeshore and Chatham-Kent have recently received HAF funding and have executed agreements committing to adopting zoning changes that will allow four units as-of-right in all of their low density residential neighbourhoods.

Consultations

Chief Administrative Officer
Financial Services
WSP
MillerSilani Inc.
StrategyCorp
CMHC

Financial Implications

The HAF provides \$4,383,110 in funding, with approximately \$1,184,000 to be used for the implementation of the Town's nine initiatives, including \$738,000 to offset the waiving of Development Charges and Building Permits and the purchase of software for e-processing of planning applications.

The balance of the HAF funds, being approximately \$3,199,100, will be used for a capital project that supports the accelerated provision of housing. The proposed project earmarked for this funding is the stormwater management facilities for the Manning Road Secondary Plan Area, which will provide a direct benefit to the Town, the County and the developers to facilitate development in this new housing area as well as needed capacity improvements to Manning Road (CR19). A forthcoming report will formalize this proposal by seeking Council approval.

The HAF funding is provided over four installments. The first installment of \$1,095,777 was received immediately following the February 15, 2024, execution of the HAF Agreement. The second installment was scheduled to be received by March 31, 2025; however, it has been delayed by CMHC pending completion of HAF Initiative 1 by July 25, 2025.

Should Council not proceed with HAF Initiative 1, the Town risks losing the remaining \$3.2M as CMHC may view the change in direction as a breach of the HAF agreement. A 4.15% increase to the general tax levy would be required to generate the Town's share of this funding shortfall in relation to the earmarked MRSPA stormwater management capital projects.

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

Recommended by:

Margaret Misek-Evans, MCIP, RPP
Chief Administrative Officer

Attachment Number	Attachment Name
1	HAF Initiative 1: Final Report by WSP, dated May, 2025
2	HAF Initiative 1: Council Update - Power Point
3	Detailed Summary of Options for HAF 1
4	WSP Report, Figure 6: Natural Hazards - Floodprone Exclusion Area (p. 18)