

**REPORT #:** CAO-2024-4  
**DATE:** 2-Apr-24  
**TO:** Mayor and Members of Council  
**SUBJECT:** **Proposed Scope Adjustment to the Town-Initiated Zoning By-law Amendment for Additional Dwelling Units**  
**PREPARED BY:** Geoff McKnight, CAO

**1. RECOMMENDATIONS:**

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That Report CAO-2024-4 titled "Proposed Scope Adjustment to the Town-Initiated Zoning By-law Amendment for Additional Dwelling Units" be received for information and that staff be directed to proceed with the revised scope as detailed herein.

**2. PREAMBLE:**

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The town submitted an application to the federal Housing Accelerator Fund program in mid-2023 to seek financial assistance for a number of initiatives that could assist with increasing the local supply and attainability of housing. The application was unsuccessful.

The purpose of this report is to recommend that council expand its town-initiated "Additional Dwelling Unit" zoning review to also consider adding permission for fourplexes. Such an effort could assist with further expanding opportunities for attainable housing while also improving the town's access to HAF grants if further application intakes open.

**3. BASIC DATA PERTAINING TO THE MATTER:**

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In mid-2023, the federal government launched the Housing Accelerator Fund as a tool to assist municipalities and other partners with efforts to *"...increase housing supply and supporting the development of communities that are more affordable, diverse and climate-resilient."*

Shortly after the HAF intake opened, the town submitted an application in accordance with program guidelines. Funding requests outlined in the application included such projects as:

- expanding housing-supportive water and waste water infrastructure;
- developing an intensification strategy along with official plan and zoning by-law updates;
- reducing downtown parking standards while increasing municipal transit service levels and public parking supply;

- developing a strategy for converting surplus town-owned lands into residential opportunities;
- further refinement of the town's development review process; and,
- a community grant/loan program to assist with the installation of safe Additional Dwelling Units.

In staff's opinion, the grant application properly addressed the objectives of the HAF program and its evaluation criteria. Unfortunately, the town was advised in late February 2024 that our application was not successful.

In an effort to be better positioned for success if the HAF program accepts new applications in 2024, Councillor Scott connected with the office of the Hon. Sean Fraser, the Minister of Housing, Infrastructure and Communities. Through discussions with the Minister's policy director and Ontario regional advisor, we were advised that the evaluation of applications has established a number of benchmarks, which the Minister has generally communicated in open letters to mayors of other municipalities. Being "proactive" in pursuing strategies to "up-zone" or liberalize zoning is strongly encouraged.

Other concrete measures the evaluation committee will look for include:

- Legalizing "missing middle" housing (defined as fourplexes or more);
- A clear plan for "transit-oriented communities" (mid-to-high density near transit, eliminating parking minimums in such areas);
- A clear strategy and staffing contingent to implement affordable-housing construction; and,
- A plan to simplify permitting processes, including digital tools (simplifying processes, e-permitting, case management, etc.).

Many of these initiatives were accounted for in the projects the town sought funding for through our 2023 HAF application, so it appears that our efforts are well-aligned with the objectives of the HAF program.

Council has made further progress on achieving these objectives through endorsement of Report PLN-2024-4 on February 20, 2024. That report set out a process to update the town's zoning by-law in order to permit three dwelling units ("ADU" – Additional Dwelling Units), on all residential lots presently served by full municipal services. This town-initiated rezoning process is required to comply with certain provisions of Bill 23, the *"More Homes Built Faster Act"*, 2022.

Although not required by the provincial Bill 23, several municipalities in Ontario have embraced zoning permissions for fourplexes due to obligations set out in federal HAF funding agreements – which is consistent with the program's objective to expand the "missing middle" housing stock across the country.

A fourplex is a multi-unit dwelling that typically houses four separate units under one roof. The layout can be side-by-side or stacked on top of each other. Typically, they're a combination of both and are often cited as a good example of "gentle-intensification", which blend in well within existing neighbourhoods.

Given this recent history of successful HAF applicants embracing fourplexes, it would appear that proactively considering inclusionary zoning provisions for fourplexes can enhance a municipality's prospects for receiving housing-supportive federal grants.

The federal government has not yet announced whether the Housing Accelerator Fund will accept new applications in 2024. Nonetheless, staff recommend that council initiates a process to consider adding zoning permissions for fourplexes. Such an effort could assist with expanding opportunities for attainable housing while also improving the town's access to HAF grants if further application intakes open.

If so directed, staff can expand the scope of the ADU rezoning process to include the contemplation of fourplexes. That process will continue as currently planned, including staff and agency review of drafted amendments and a thorough public consultation process consisting of a dedicated webpage, public open house and statutory public meeting planned for May.

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**4. EFFECT ON TOWN FINANCES:**

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None anticipated. The town-initiated rezoning process will be undertaken by staff.

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**5. ATTACHMENTS:**

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