

County of Brant Council Report

To: The Mayor and Members of County of Brant Council

From: Brandon Kortleve, Manager of Policy Planning

Date: February 11, 2025

Report #: RPT-0078-25

Subject: Canada Housing Infrastructure Fund Requirements – Direction on Zoning for 4

Units As-of-Right

Purpose: For Information and Direction

Recommendation

That Report RPT-0078-25 – Canada Housing Infrastructure Fund Requirements – Direction on Zoning for 4 Units As-of-Right be received as information, and

That staff be directed to proceed with a zoning by-law amendment to consider permitting four residential units as-of-right in fully serviced areas to qualify for the Canada Housing Infrastructure Fund – Direct Delivery Stream funding.

Strategic Plan Priority

Strategic Priority 2 - Focused Growth and Infrastructure

Impacts and Mitigation

Social Impacts

Allowing four units as-of-right could increase housing options, including affordable units, to better meet community needs.

Environmental Impacts

Encouraging infill development in fully serviced areas reduces urban sprawl and maximizes existing infrastructure, promoting more sustainable land use.

Economic Impacts

Accessing CHIF funding for infrastructure upgrades supports growth management, enabling access to housing development while reducing financial pressure on the municipality.

Report

Background

The Canada Housing Infrastructure Fund (CHIF) is a \$6 billion initiative supporting infrastructure projects such as water, wastewater, stormwater, and solid waste systems to ultimately enable housing construction. One of its funding streams, the Direct Delivery Stream (\$1 billion over eight years) provides direct funding to municipalities and Indigenous communities for local projects.

If awarded, CHIF will contribute up to 40% of total eligible project costs, to a maximum of \$100 million. In some cases, additional funding beyond this cap may be approved on a case-by-case basis.

To qualify, projects must involve building new or upgrading existing infrastructure that enables housing construction. "Enabling housing" does not mean exceeding the housing forecast in the Municipal Comprehensive Review; rather, it refers to increasing municipal capacity to support housing development. CHIF funding can help finance infrastructure upgrades needed to support new housing developments and address capacity constraints. The funding the County receives would support infrastructure upgrades in Paris and St. George, which are essential for planned housing developments.

Applications for the Direct Delivery Stream close on March 31, 2025. Staff are considering applying to fund one of at least two major infrastructure projects, with potential funding requests outlined in Table 1.

To be eligible for any CHIF funding, municipalities with over 30,000 residents must commit to zoning that permits four residential units as-of-right in fully serviced areas. Currently, County zoning permits up to three units, meaning that a zoning amendment would be required to implement permissions for four units as-of-right.

Before proceeding with a funding application, staff are seeking Council's direction on whether to move forward with this zoning change process. The next section of this report analyzes the potential implications of this decision.

Project Name	Potential Funding Request	
Paris Water Pollution Control Plant Expansion	\$100,000,000	
St. George Water Treatment Plant (Howell Road)	\$10,000,000	

Table 1 - Potential Eligible Capital Projects

Analysis

The More Homes Built Faster Act, 2022 introduced as-of-right permissions for up to three residential units on fully serviced lots, provided they meet local zoning standards. In 2020, the County of Brant established zoning regulations for Additional Residential Units (ARUs), which have become a popular form of gentle density, particularly in Paris (Table 2 – ARU Permits).

Older neighborhoods, with larger lots and frontages, offer greater flexibility for ARUs, allowing both internal units (e.g., basement apartments) and detached units. In contrast, newer

subdivisions, with smaller lots, frontages, and side yard setbacks, typically limit ARUs to internal units due to parking and rear-yard access constraints.

Despite permissions for three-unit properties, all ARU developments to date have only proposed two units (one principal dwelling and one ARU). An analysis of the ARU uptake in Paris shows that current zoning has largely restricted detached ARUs to established neighborhoods with greater property flexibility (Attachment 1 – Detached ARU Heat Map).

Internal ARUs in new subdivisions have been common (Attachment 2 – Internal ARU Heat Map) but are constrained to properties with appropriate lot frontages and available parking which is dictated by driveways widths and garage sizes.

2024 Building permit trends indicate that:

- Frontages less than 11.0m and driveway widths less than 5.6m have not qualified for ARUs, aligning with the intent of zoning provisions.
- Garage widths under 6.0m only qualify as one internal parking space, further limiting the potential for a third (or fourth) unit.
- Single width garages and driveways do not qualify for ARUs.

Year of Building Permit Issuance	Urban ARUs*	Rural ARUs
2020	1	0
2021	8	2
2022	13	6
2023	14	6
2024	32	11
Total	68	25

Table 2 – ARU Permits
* Only 1 permit was issued in St. George, the rest are in Paris

As previously reported, parking concerns in new subdivisions remain a challenge. However, permissions for boulevard parking have helped ease demand in some areas. Moving forward, under the framework of the new Official Plan, the County's Community Planning Permit System will provide clearer directions on subdivision design, frontages, driveway widths and on-street parking to prevent similar parking issues in new developments.

Given these trends, planning staff believe the existing zoning provisions are effectively managing infill. Allowing four units as-of-right is unlikely to have significant community impacts but would lead to gradual infilling over time. If zoning permissions for a fourth unit are approved, it would not be classified as an ARU under provincial definitions but could follow similar zoning provisions regarding setbacks, lot coverage, and parking.

On October 24, 2023, Council discussed a resolution on expanded housing options (<u>link to resolution</u>). The resolution directed staff to implement flexible housing policies and increase housing options in the County of Brant. This direction has been incorporated into the County's Official Plan and will be fully integrated into the County's new Community Planning Permit System. Moving forward with four units as-of-right in fully serviced settlement areas would align with this policy direction.

Summary and Recommendations

Staff have conducted a high-level assessment of the potential impact of permitting four units as-of-right and do not have concerns with this direction. We believe the associated federal funding would provide a significant net benefit to the community. Zoning permissions for a fourth unit in fully serviced areas could be structured similarly to ARU regulations, ensuring

flexibility while also mitigating negative impacts with no need to increase height, alter setbacks or lot coverage nor reduce parking requirements.

Existing ARU zoning has successfully managed infill density, and staff do not anticipate major issues with permitting four units as-of-right in serviced settlement areas. We are seeking Council's direction on whether to commit to these permissions and move forward with a zoning by-law amendment. If so directed, these zoning changes would need to be introduced in Spring 2025.

Should Council proceed, a detailed analysis will be done to identify local provisions to maintain responsible infill growth. Staff welcome feedback on housing supply and density and will engage the public in Q2 as part of the Housing Needs Assessment project, which will provide an opportunity to gather input on what four units as-of-right would look like at a local level.

Attachments

- 1. Heat Map Detached ARU Permits in Paris
- 2. Heat Map Internal ARU Permits in Paris

Reviewed / Contributed By

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By-law and/or Agreement

By-law Required No
Agreement(s) or other documents to be signed by Mayor and /or Clerk No