



Session 604: Secondary Suites: What do they mean for providers

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WELCOME!



Purpose of Session 604

- Provide a summary of the current context for secondary suites/second units
- Share the experiences of the City of Mississauga and Region of Peel in facilitating second units
- Explore potential opportunities and roles for housing providers with respect to second units



CONTEXT FOR SECOND UNITS

Jodi Ball, Principal, SHS Consulting



Why Second Units

- Demographic Trends

- Population and household growth
- Reduced household size
- Aging population

- Economic Trends

- Rising costs of homes
- Limited rental stock
- Affordable housing challenges

- Community Goals

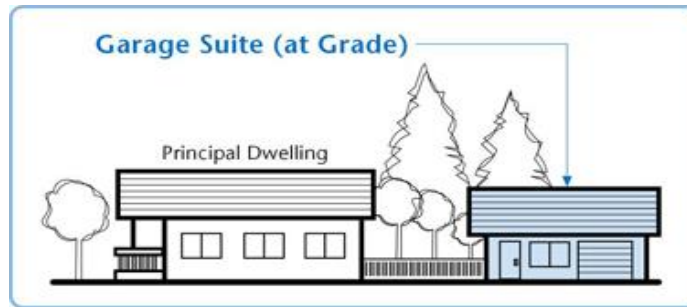
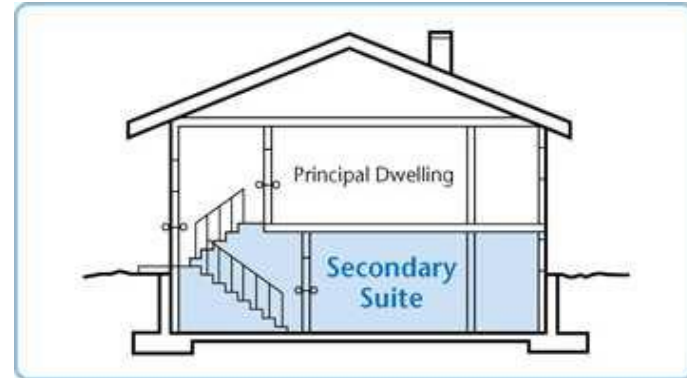
- Intensification
- Need for more (affordable) housing options

Second units are one way to address changes in housing needs



What are Second Units

- A second unit is a dwelling unit located in a building or a portion of a building of residential occupancy that is a single real estate entity containing not more than two dwelling units and common spaces, one of which has a prescribed floor area (National Building Code, 2010)
- Second units are self-contained residential units with kitchen and bathroom facilities within dwellings or within structures accessory to dwellings (MMAH, 2012)



City of Edmonton, 2013



National Context

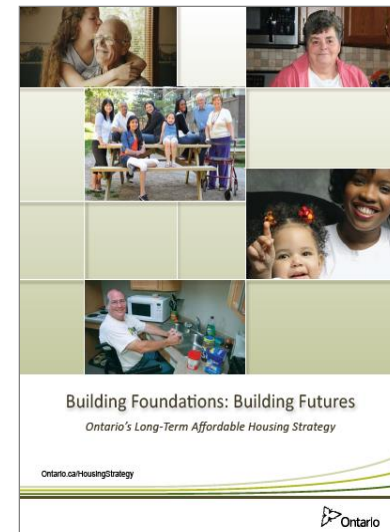
- Requirements for secondary units are set out in the National Building Code.
- Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut have either adopted or adapted the National Model Construction Codes (NMCC), which include the Building and Fire Codes.
- British Columbia, Alberta, Ontario and Quebec have their own provincial building codes which regulate the development of secondary units.



Provincial Context

Strong Communities through Affordable Housing Act (2012)

- Requires that municipalities permit second units in new and existing developments as-of-right in:
 - single-detached
 - semi-detached
 - row houses, and
 - ancillary structures



Approaches to Second Unit Policy

- Develop clear policy and definition
- Create regulatory requirements, considering:
 - Housing form
 - Size of unit
 - Design (i.e. location of entrances)
 - Parking
- Create framework for implementation, considering:
 - Registration process (i.e. registry, fees)
 - Incentives
 - Educational programs
 - Monitoring



Role of Second Units

- Benefits for Tenants

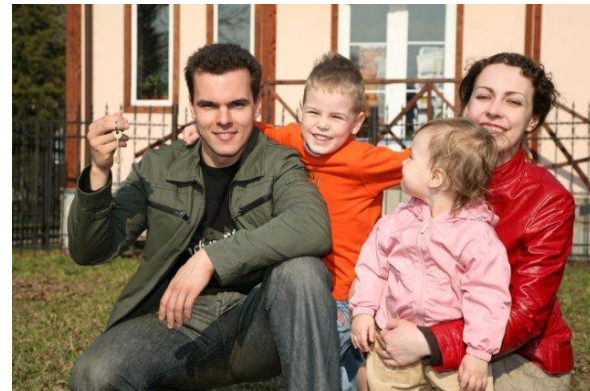
- More rental housing options
- Enhanced safety of units (through legalization)
- Affordable choices in lower density neighbourhoods
- Provide flexible housing for changing households (i.e. seniors, students, extended families)



Role of Second Units

- Benefits for Homeowners

- Assistance with housing costs
- Accommodate extended family (parents, adult children etc.)
- Increase property value
- Contribute to seniors aging in place



Role of Second Units

- Benefits for Non-Profit Housing Providers

- Increase in rental stock
- Opportunity for more affordable rental housing in urban and rural communities
- Potential to partner with private landlords



Role of Second Units

- Benefits for Community

- Greater affordable housing stock
- More efficient use of municipal infrastructure
- Maintain overall neighbourhood character
- Revitalization of some neighbourhoods



Examples of Approaches

•Abbotsford, British Columbia

- Public-private partnership
- 11 townhouse development each with rental bachelor second unit
- Second units are located on main floor (accessible)

•Edmonton, Alberta

- Grant program for homeowners to add second units
- Grants up to \$20,000 (or up to 50% construction costs)
- Provincial block funding and City tax levy funding



CMHC Research Study



Mississauga Experience

Emily Irvine, Planner, City of Mississauga





Second Units

ONPHA Conference

November 15, 2014

Why Second Units

- Everyone needs housing to feel they belong
- Second units are part of the City's Housing Strategy
- Ontario laws require municipalities to allow second units



Housing Choices: Components

- Summary of Housing Needs
- Vision and Framework
- **Second Units**
- Rental Housing Protection
- Incentives and Implementation



Second Units

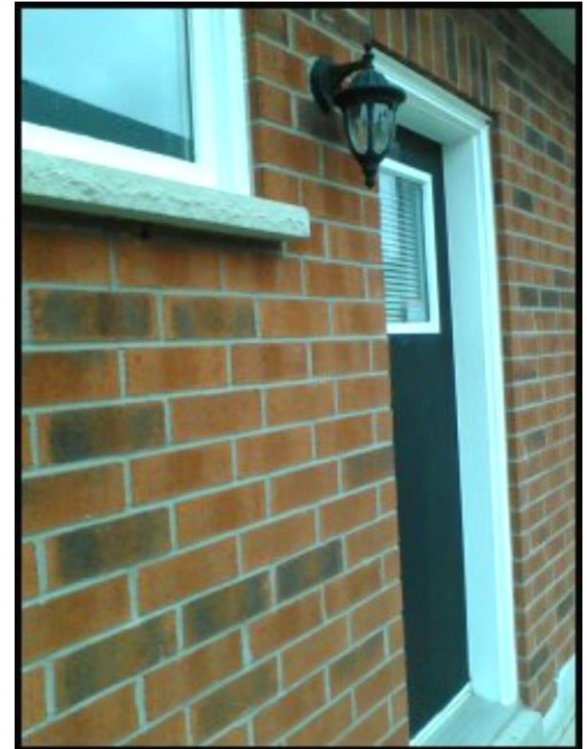
What are Second Units?

- “self-contained dwelling units” with kitchen, bathroom bedroom(s)/sleeping area that sometimes have a separate entrance
- One second unit permitted in a dwelling unit
- Second units must have a City of Mississauga licence to be legal.



Benefits of Legal Units

- Safe
- Peace of mind with insurance coverage
- Additional Mortgage funding
- Income tax benefits



Consultation

- Stakeholder Forum
- Five Public Consultation Workshops
- Design Workshop
- Statutory Public Meeting



To gather thoughts and ideas on a
“Made in Mississauga” solution



Principles for Second Units

- Preserving Neighbourhood Character
- Ensuring Safety
- Maintaining City Services



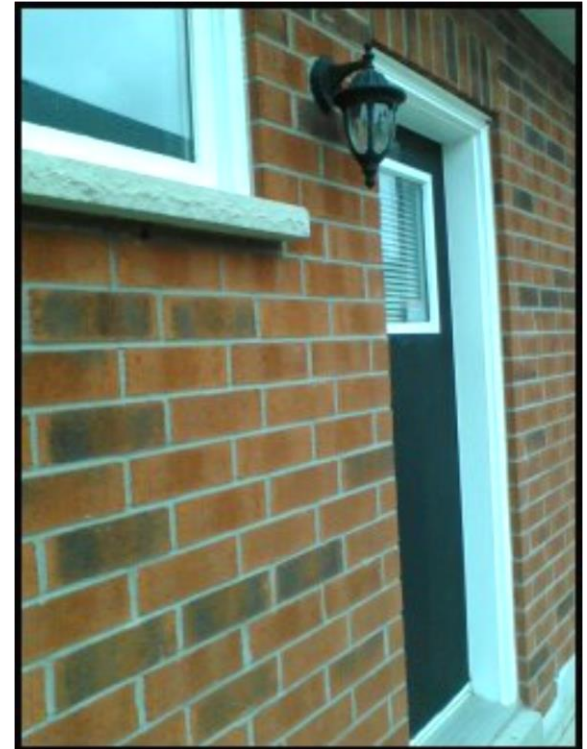
Implementation Strategy

- Official Plan Policies
- Zoning Regulations
- Licensing Requirements
- Education Program
- Partnerships



Official Plan Policies and Zoning Regulations

- Where they are permitted
- Definition
- Parking
- Entrances & setbacks



Licensing Requirements

Compliance with:

- Zoning By-law regulations
- Ontario Building Code
- Ontario Fire Code
- Applicable municipal by-laws



Education Program

Elements:

- Web page
- Mail-out
- Media
- Information Sessions
- Printed Material



Partnerships

- Region
 - Renovation assistance
 - Rent subsidies
 - Referrals
 - Property management resource
- Other Professionals
 - Real Estate
 - Builders
 - Insurance



Second Units - Timeline

- Council approved OP policies and Zoning regulations July 3, 2013
- Licensing By-law September 2013
- Licensing begins January 2014
- Education and Partnerships underway



Legal Second Units – Current Process

- To get a second unit licence:
 - Step 1: Make it safe
 - Step 2: Get a licence



Step 1: Make it Safe

Meet required standards:

- Zoning Regulations
- Building and Fire Code Compliance
- Electrical Safety Authority Standards



Step 2: Get your Licence

Other documents that are required:

- Second Unit Licence Application and Fee
- Insurance Certificate
- Proof of ownership (Tax Bill, Title of Property, Tax Assessment Notice)

Annual Licensing Fees		
	Owner Occupied Dwelling	Investment Dwelling
Initial Fee	\$500	\$1,000
Renewal	\$250	\$500



Second Unit Update

- Second Unit licensing began January 2014
- Currently 20 units are licensed with 20 more in progress
- Approximately 200 second unit applications in process
- Over 500 counter inquiries



For more Information:

Call: 3-1-1

Website: mississauga.ca/secondunits

In person:

City of Mississauga, Compliance and
Licensing, ground floor,
300 City Centre Drive



Region of Peel Experience

Sue Ritchie, Manager, Region of Peel



Provincial Long-Term Affordable Housing Strategy (LTAHS) Requirements

10-Year Housing and Homelessness Plan

- A strategic plan to address housing needs of the community
- Service Managers required to consult with the community to develop the Plan
- Official approval required by January 1, 2014



Homelessness



Emergency
Shelter



Transitional
Housing



Supportive
Housing



Social
Housing



Subsidized
Rental



Private Market
Rental

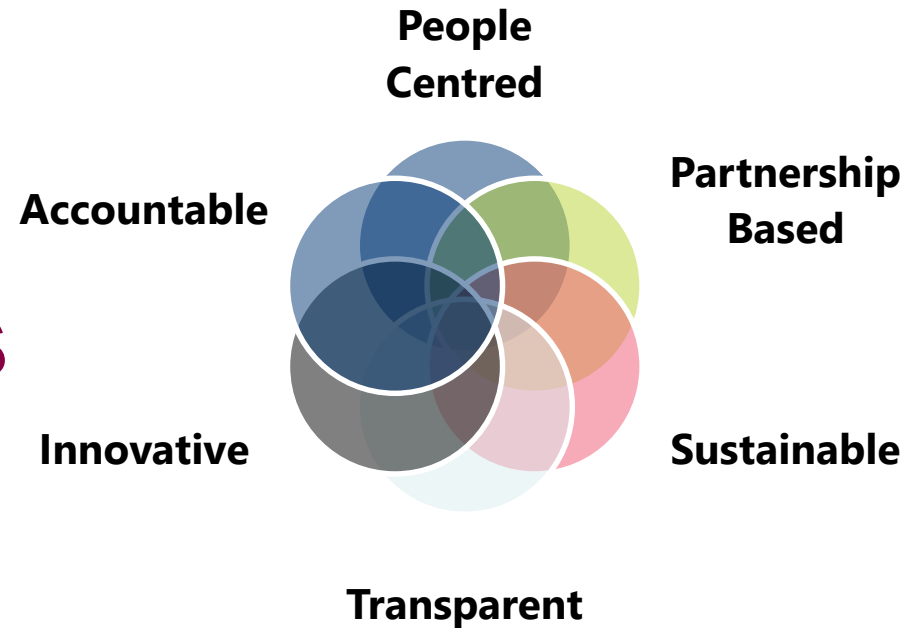


Home
Ownership



Goal and Principles

Everyone has a home and homelessness is eliminated



Peel Renovates Program

- The redesigned and expanded *Peel Renovates* program was launched in June 2014
- Target group is homeowners who are low-income, seniors and persons with disabilities
- Components for future implementation were included in the program design process, one of which is renovations to existing **second units**
- Development of a **Second Units** Pilot Program is currently underway in partnership with the City of Mississauga



Second Units Pilot Program

- Eligible renovations will include window-expansion, creation of additional exits, electrical work and anything else required to ensure units are up to Ontario Fire and Building code standards, as well as City regulations and other licensing requirements
- Target group will be low-to-moderate income households
- Funding assistance will be in the form of a forgivable loan and participants must agree to keep the rent affordable (e.g. 80% of average market rent)
- The Region of Peel and City of Mississauga will complete a joint-evaluation of the program in order to determine long-term program parameters



Let's Discuss...

Christine Pacini, Partner, SHS Consulting



Opportunities for Housing Providers

Advocates: Is there a role for housing providers as advocates of legalizing second units? If yes, what would that look like?

Community Partner: What are the potential opportunities for partnerships with private homeowners/landlords?

- Referral agreements
- Property management services
- Resource



Owner: Is there a role for housing providers to be owners/landlords of second units? If so, what could this look like?

Other ideas?

What would it take to make these ideas a reality?



Thank-you!

