



Municipality of Port Hope

Staff Report

porthope.ca/agendas-and-minutes

Report Title: Additional Residential Units – Next steps regarding Zoning By-law Amendments as per Council Direction of May 19, 2026

Report to: Committee of the Whole

Date of meeting: July 7, 2026

Report Author:

Ken Scullion, Senior Planner

Department responsible:

Development Services

Report Number: DS-12-26

Recommended Motion:

Motion #1:

That Council reconsider the motion adopted at its May 19, 2026 meeting regarding Report DS-07-26, Housing and Additional Residential Unit Zoning By-law Amendment (File No. ZB06-2025), respecting the approval in principle of the proposed Zoning By-law Amendment and the related directions to staff.

Motion #2

Whereas Council considered Report DS-07-26 regarding the Housing and Additional Residential Unit Zoning By-law Amendment ZB06-2025 at its Committee of the Whole meeting of May 5, 2026 and Report DS-12-26 at its Meeting of July 07, 2026;

1. That staff be directed to revise Section 4.2.1.1 to include provisions in the implementing by-law that explicitly permit the establishment of new septic system(s) for ARUs where site conditions warrant and in compliance with the Ontario Building Code in Hamlet Residential One and Two (RESV1 and RESV2), Rural Residential (RESR), Estate Residential (RESE), Agricultural (A), and Rural (RU) Zones, where municipal servicing is unavailable; and
2. That staff be directed to revise 4.2.1.1 r) proposed in Report DS-07-26 to reflect the revised staff recommendation within Report DS-12-26; and,
3. That staff be directed to modify the maximum permitted height permissions for new ARUs in detached buildings to reflect the staff recommendation included within Report DS-12-26.

Report No.: DS-12-26

Report to: Committee of the Whole

4. That staff be directed to replace language restricting the size of ARUs in urban residential zones with language allowing the size to be up to the maximum 90% of the primary dwelling as possible without conflicting with other definitions within the Zoning By-law; and,
5. That staff be directed to remove language preventing two ARUs from being situated in an accessory structure for Urban and Hamlet Residential Zones; and further that staff be directed to revise Section 4.2.1.1 to include a provision that will allow ARUs subject to confirmation of servicing and the ability to request a grading plan / stormwater management plan during building permit process; and,
6. That staff be directed to revise the parking standard for ARUs proposed within Report DS-07-26 to require a parking rate of one (1) parking space for the first new ARU, with a second ARU not requiring a new parking space, provided three (3) parking spaces exist on the property; and,
7. That Council deems it advisable to amend Zoning By-law 20/2010, as otherwise amended, to allow for more flexible additional residential units provisions and permit innovative housing types; and that a further public meeting is not considered necessary in order to proceed with this amendment; and,
8. That Council deems the changes made to the proposed Zoning By-law since the public meeting are appropriate and in the public interest and no further notice is required in accordance with Section 34(17) of the Planning Act; and,
9. That a by-law be presented to Council to authorize Zoning By-law Amendment (File No. ZB06-2025) that will amend the Comprehensive Zoning By-law 20/2010 in order to permit more flexible Additional Residential Unit development and innovative housing types throughout the Municipality.

Highlights:

- At the May 5th, 2026 Committee of the Whole meeting, Staff Report DS-07-2026 recommended updates to the Zoning By-law to permit more flexible Additional Residential Unit (ARU) and Innovative Housing development throughout the Municipality.
- Five (5) Motions were carried at the May 5th, 2026 meeting (Confirmed through Resolution 109-2026 at the May 19, 2026 Council meeting) proposing further changes to the proposed Zoning By-law Amendment. As these changes were introduced through motions during Council's consideration of the matter at Committee of the Whole, they were not considered as part of the staff public meeting report, and staff did not have the opportunity to evaluate the implications of the changes or provide Council with a public report outlining associated considerations and potential impacts prior to a decision being made.
- This report provides information to Council and the public with respect to the approved Motions as well as recommendations to execute the intent of the Motions while also ensuring consistency with the Provincial Policy Statement, conformity with the Official Plan, intent of the Zoning By-law and to mitigate potential negative impacts to neighbouring properties resulting from these changes.
- Further consideration to proposed provisions in Report DS-07-26 also prompted staff to revise their previous recommended provisions with respect to reducing the required parking requirement for ARUs.

Background:

On May 5, 2026, planning staff presented Report DS-07-26 to the Committee of the Whole for consideration. This report contained a number of recommended changes to the Municipal Zoning By-law 20/2010 to more easily permit the development of innovative and affordable housing within the Municipality.

Following consideration of this matter at Committee of the Whole, Council passed five (5) Motions in relation to Report DS-07-26. Four (4) Motions made distinct changes to the staff recommended Zoning By-law amendment which would have the effect of creating further flexibility and more permissive standards for ARU development in Port Hope. The fifth and final Motion directed staff to prepare a By-law to present back to Council. The Motions were as follows:

Motion #1

Moved by Councillor Mink

Seconded by Deputy Mayor Pearson

That Council approve the Additional Residential Unit Zoning By-law amendment in principle, subject to the following revisions:

1. Private Sewage Servicing (Septic)

That Section 4.2.1.1 be amended to include:

Where municipal sanitary servicing is unavailable, an Additional Residential Unit may be serviced by an individual on-site sewage system, subject to compliance with the Ontario Building Code.

A new or separate sewage system may be permitted where it is demonstrated that the existing system does not have sufficient capacity or where site conditions warrant.

The installation of a new sewage system to service an Additional Residential Unit shall not require the replacement of an existing system serving the primary dwelling unless otherwise required by the Ontario Building Code.

Carried

Motion #2

Moved by Councillor Holloway Wadhwani

Seconded by Councillor Attridge

Whereas Council received Report DS-07-26 regarding the Housing and Additional Residential Unit Zoning By-law Amendment ZB06-2025 at its meeting of May 5, 2026;

Now therefore be it resolved that Council endorse in principle the proposed amendments to Zoning By-law 20/2010 as presented in Report DS-07-26, subject to the following directions to staff:

1. That staff be directed to replace ARU-specific restrictions on height with language requiring ARUs to comply with overall zone requirements for height.

Carried

Report No.: DS-12-26

Report to: Committee of the Whole

Motion #3

Moved by Councillor Holloway Wadhwani

Seconded by Councillor Toms

That staff be directed to replace language restricting the size of ARUs in urban residential zones with language allowing the size to be up to the maximum 90% of the primary dwelling as possible without conflicting with other definitions within the Zoning By-law.

Carried

Motion #4

Moved by Councillor Holloway Wadhwani

Seconded by Deputy Mayor Pearson

That staff be directed to remove language preventing two ARUs from being situated in an accessory structure so long as all other Zoning requirements with respect to ARUs are maintained;

And be it further resolved that the revised Draft Zoning By-law Amendment incorporating all endorsed provisions and the above directed revisions be brought back to Council for approval.

Carried

Motion #5

Moved by Councillor Toms

Seconded by Deputy Mayor Pearson

That a by-law be presented to Council to authorize Zoning By-law Amendment (File No. ZB06-2025) that will amend the Comprehensive Zoning By-law 20/2010 in order to permit more flexible Additional Residential Unit development and innovative housing types throughout the Municipality.

Carried

Discussion:

The purpose of this report is to formally discuss considerations that staff have identified relating to the motion approved by Council on May 19, 2026 ([Report DS-07-26 re: Housing and Additional Residential Unit Zoning By-law Amendment – Recommendation Report \(ZB06-2025\)](#) – Item 10.2 on May 19 Council Agenda), as confirmed through Resolution 109-26. This report outlines the cumulative impacts of the motion, together with the implications of the revised proposed provisions resulting from further review by staff.

From a procedural perspective, staff recommend that Council reconsider the motion passed with respect to this item and confirmed through Resolution 109-26 at the May

19, 2026 Council meeting in its entirety. This recommendation is based on the requirements of Procedural By-law 08-2026. Section 49.1 provides that Council may reconsider an entire resolution, by-law or action of Council, but expressly states that reconsideration of only a portion of a resolution is not permitted. Given the breadth of matters addressed within the May 19, 2026 motion related to [Report DS-07-26 re: Housing and Additional Residential Unit Zoning By-law Amendment – Recommendation Report \(ZB06-2025\)](#), staff are of the opinion that reconsideration of the entire resolution represents the clearest and most procedurally appropriate course of action. This approach will allow Council to consider each matter individually with the benefit of the additional analysis contained in this report.

This recommendation is not intended to undermine or revisit Council's policy direction expressed on May 19, 2026. Rather, it is intended to ensure that Council's decisions are implemented in a manner that is consistent with the Municipality's Procedural By-law, informed by further staff review of the proposed zoning provisions, and reflective of applicable provincial legislation, planning policy, and technical considerations.

To assist Council in its deliberations, staff have provided the following information for each motion:

- Staff's understanding of the intent of the motion;
- The rationale for why staff did not recommend the provision(s) in Report DS-07-2026;
- The implications if the motion is implemented as passed;
- Any staff omissions or errors identified in the original proposed provision(s);
- Staff recommendations for correcting any identified omission or error; and,
- Staff's conclusion and recommended option for Council's consideration.

Motion #1:

This Motion was intended to permit the use of individual septic systems for private sewage servicing within the Urban Area and Rural Area of the Municipality.

Section 4.32 of the Zoning By-law currently controls where and under what circumstances septic systems are required. Section 4.32.1 affects servicing of development within the Urban Area and Sections 4.32.2 and 4.32.3 affects servicing of development within the Rural Area.

The intent of these provisions is as follows:

- 1) Section 4.32.1 (Services Required, Urban Area) prohibits development unless the use is serviced by municipal sewage and municipal water services within the Urban Area.
- 2) Section 4.32.2 (Services Required, Hamlets and the Countryside Area) requires that Class IV or VI systems, as defined by the Building Code Act, are required for development of vacant lots within the Rural Area.
- 3) Section 4.32.3 (Services Required, Other Dwelling Units in Hamlet Areas) requires that, notwithstanding Section 4.32.2, an apartment building, multiple dwelling, and townhouse dwelling may only be serviced by municipal sewage and municipal water systems in the Rural Area.

These provisions have been attached to this report for reference in **Attachment 1**.

Urban Area

Section 4.32.1 (Services Required, Urban Area) requires that all development within Urban Residential Zones (all zones that permit ARUs in the Urban Area) must be connected to Municipal sewage and water services. This zoning provision reflects the intent of Section 3.2.3.5 of the Provincial Planning Statement, which permits partial services (lands serviced partially by water and private septic systems or vice versa) on urban lands in two scenarios:

- 1) Where they are necessary to replace failed existing private sewage or water services; or,
- 2) To allow for “infilling and minor rounding out” of existing development provided that the conditions are suitable with no negative impacts.

Moreover, Section 3.6.2 of the PPS states that municipal sewage and water services are the preferred form of servicing for urban lands to support protection of the environment and minimize potential risks to human health and safety.

The servicing zoning provisions and the servicing PPS policies are attached to this report (see **Attachment 1**).

It is the intent of the Zoning By-law that urban lands be connected to municipal services.

If Motion #1 is implemented as passed, an amendment to Section 4.32.1 (Services Required, Urban Area) would be necessary. Section 4.32.1 is grounded in good planning principles to ensure that new development in the Urban Area is connected to municipal servicing, or that proposed private servicing for an ARU in the Urban Area is reviewed and considered on a case-specific basis through a planning application. Therefore, staff do not recommend extending the permission for the creation of new private sanitary servicing on urban residential zoned lots.

Rural Area

Currently, there are no zoning provisions prohibiting the use of new or additional septic systems for ARUs within the Rural Area.

Staff note that during the Zoning By-law housekeeping update in 2022, private sewage servicing was considered. Through comments provided by the County of Northumberland (who is the approval authority for septic servicing), it was determined that most existing septic systems will be too small to accommodate both an ARU and a Principal Dwelling. Therefore, it was recommended that the Zoning By-law permit two (2) septic systems, if necessary. This has been further established through the 2026 recommended ARU provisions.

Lastly, all private sewage systems are reviewed by Northumberland County and require permits. The County reviews private on-site sewage system applications to ensure they meet Ontario Building Code requirements and can safely manage sewage based on lot size, soil conditions, sewage flow, setbacks, site characteristics, and replacement area. According to their comments to staff provided in **Attachment 4**, new septic systems for ARUs within urban areas raise significant concerns because smaller lots often cannot accommodate required system size and setbacks, and private systems may create

long-term servicing, maintenance, and land use conflicts in areas with existing or planned municipal wastewater infrastructure.

NOTE:

When reviewing the new zoning provision that this Motion amended, Section 4.2.1.1.r), Staff noted that the new provision was inadvertently worded to apply to properties in both Urban and Rural Areas. It was intended that this provision only apply to properties in the Rural Area, to maintain alignment with Section 4.32.1 and 4.32.2 of the Zoning By-law that were *not* proposed to be revised. Staff acknowledge that this error is further complicated by the additional changes to the provision made through Motion #1.

Staff Conclusion – Motion #1

Staff are seeking Council's support to correct the error in the original proposed Section 4.2.2.1 r) which was intended to apply to properties in the Rural Area only to provide an opportunity for a new well to service a ARU, where previously, it was required that the existing well on the property be used to service the ARU.

Additionally, in staff's opinion, permitting new private septic systems on properties within the Urban Area not already serviced by municipal sanitary services should not be permitted in order to maintain the intent of the Zoning By-law. To clarify, since the Zoning By-law already permits the establishment of new septic systems for ARUs on properties in the Rural Area, Staff do not have issues with being more explicit with this permission for rural properties. The staff concern relates to this permission to the urban residential properties.

Should Council wish to reconsider this Motion, staff recommend that the Motion be revised to only consider explicitly permitting new septic systems for ARUs in Hamlet Residential One and Two (RESV1 and RESV2), Rural Residential (RESR), Estate Residential (RESE), Agricultural (A), and Rural (RU) Zones, where municipal servicing is unavailable.

Additionally, staff recommend revising proposed Section 4.2.1.1 r) from Report DS-07-26 to only consider permitting the establishment of new wells in Hamlet Residential One and Two (RESV1 and RESV2), Rural Residential (RESR), Estate Residential (RESE), Agricultural (A), and Rural (RU) Zones, where municipal servicing is unavailable, subject to the same conditions for hydrogeological review, as previously recommended.

Should Council not wish to reconsider this Motion, Staff require direction to revise Section 4.32.1 of the Zoning By-law. Again, staff do not recommend amending this provision which was established to support the provision of municipal services to properties within the Urban Area, to ensure protection of the environment and public health.

If Council chooses to not reconsider the Motion, Staff recommend Council pass a separate Motion to amend Section 4.32.1 of the Zoning By-law to permit ARU development on private septic services. The recommended Motion is as follows:

"That staff be directed to add language permitting the development of an Additional Residential Unit(s) where municipal sewage systems are not available.

Motion #2: ARU Building Height (For ARUs in Detached Accessory Buildings)

Motion #2 was intended to permit ARUs in detached accessory buildings to be built up to the maximum permitted height of Principal Dwellings within applicable zones, in order to reduce additional standards applicable to ARUs.

The maximum permitted height for residential zones within the Urban Area and Rural Area (i.e. Hamlets) is 11.0 metres. The maximum permitted height for residential development in the Rural Area (outside of Hamlets) is 10.0 metres. Therefore, this Motion could facilitate the construction of detached ARUs that are 3 to 3.5 storeys in height.

The staff proposed revisions did consider an increase to the maximum height permitted for ARUs in detached accessory buildings at the May 5, 2026 Committee of the Whole meeting. Staff proposed a maximum height of 6.5 metres, up to a maximum of two (2) storeys, subject to the ARU not exceeding the height of the Principal Dwelling to maintain compatibility within existing neighbourhoods and to maintain secondary nature of ARU development for all zones that permit ARUs. This recommendation was to ensure conformity with the Official Plan, where policies are in place to ensure that ARU development is compatible with established neighbourhoods.

Urban Area

Section B12.4 (Municipal Intensification Policies) of the Official Plan outlines policies intended to achieve the Municipality's intensification target for 50% of new residential dwelling units to be provided within the Urban Area. Specifically, Section B12.4.b) states that the Municipality shall:

"Permit limited intensification within Established Residential Areas at a scale and built form that reflects the established neighbourhood including encouraging the creation of additional residential units".

Further, Section B12.5 (Established Residential Areas) states:

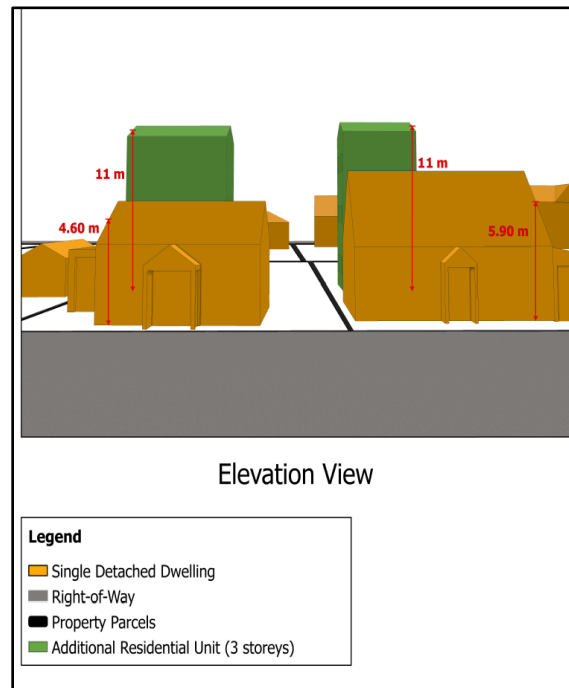
"Established Residential Areas, generally as designated "Low Density Residential" on Schedule "C-1" of the Plan, consist of existing residential neighbourhoods where intensification potential would be modest, incremental and where municipality servicing capacity is sufficient." Staff note that the "Low Density Residential" designation is the most prominent residential land-use designation throughout the Urban Area of the Municipality, as shown on **Attachment 2**.

Urban Area and Rural Area

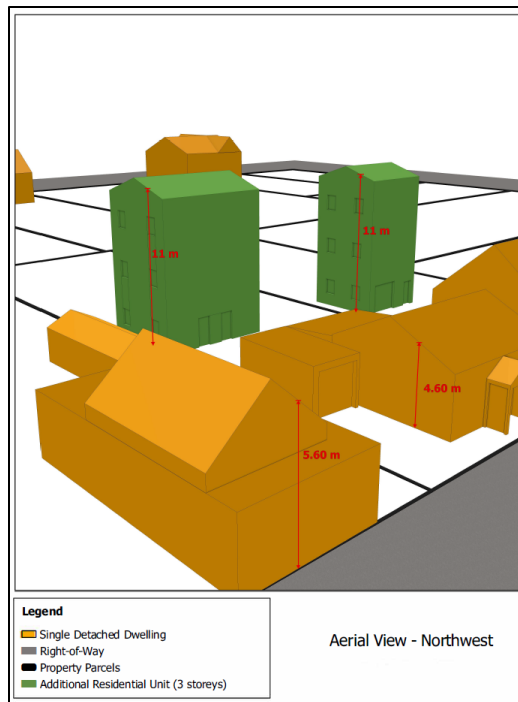
Section C9.1.2.1 (Additional Residential Units, Granny Flats and Garden Suites) states that *"additional residential units shall have regard to the type of housing found in the surrounding residential area. Standards to ensure compatibility with the surrounding residential area shall be provided in the Zoning By-law"*.

These policies are intended to ensure residential development respects existing residential uses through compatible development. Through permitting a maximum building height of 11 metres (Urban Area and Rural Residential Zones) and 10 metres (Rural Area), staff are of the opinion that this may result in incompatible residential development and may result in adverse effects on the adjacent properties,

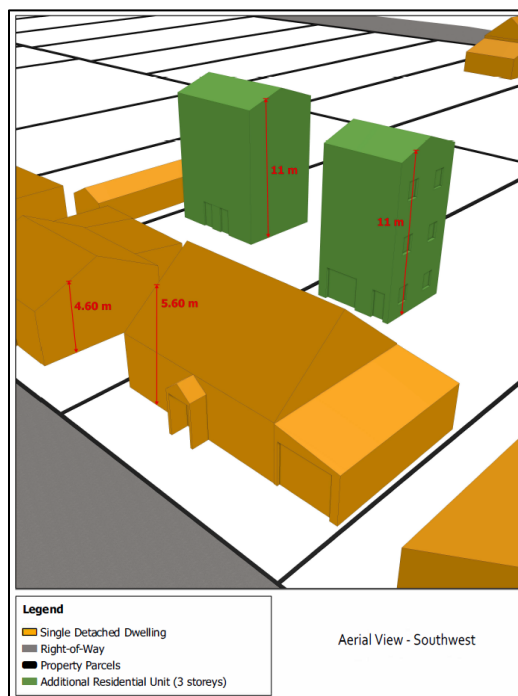
neighbourhood character, and the streetscape. For example, an ARU with a height of 11 metres within the RES1-1 Zone in a rear yard would be required to have a setback of minimum 1.2 metres from an interior side yard lot line. The implications of such a development on neighbouring properties and the streetscape are further illustrated and discussed below. Examples of potential ARU development that could result from this Council-directed Motion are shown below (see **Rendering 1, 2 & 3**). These renderings show two (2) detached ARUs at a height of 11 metres and one (1) ARU on top of a detached garage at a height of 11 metres. The renderings are also provided in **Attachment 3**.



Rendering #1 – Conceptual Streetview of ARU – 11 Metre Height



Rendering #2 – Conceptual Aerial View of ARU looking Northwest – 11 Metre Height



Rendering #3 – Conceptual Aerial View of ARU looking Southwest – 11 Metre Height

In addition to the above, a maximum building height of 11 metres or 10 metres may allow ARU development to exceed the Principal Dwelling in height, and result in a scale and built form that is not in keeping with existing established residential areas. For example, permitting residential development that is higher than the existing structure in the front yard may result in irregular building configurations that are inconsistent with neighbourhood character (as shown in **Renderings 1, 2 & 3**).

NOTE:

Report DS-07-26 recommended a new provision, Section 4.2.1.4.c), that would allow ARUs in detached accessory structures in Countryside Zones to be up to 9 metres in height. Staff's intent, however, was only to allow this height where the ARU is located within an accessory structure used for agricultural purposes. To reflect that intent, Section 4.2.1.4.c) should be revised so that ARUs in detached accessory structures are limited to a maximum height of 6.5 metres and two storeys, and do not exceed the height of the principal dwelling, with an exception to allow an ARU within an accessory structure used for agricultural purposes to be up to 9 metres in height.

Staff Conclusion – Motion #2

Staff are of the opinion that permitting a maximum ARU building height of 11 metres or 10 metres may not respect the prominent scale and built form of the Rural Area and Urban Area.

Therefore, it is staff's opinion that, the Council-revised provision does not conform to the policies of the Official Plan.

Should Council wish to reconsider this Motion, staff recommend the original staff proposed provision for maximum permitted heights for ARUs in detached accessory buildings. Staff propose that the maximum permitted height for ARUs in a detached building be 6.5 metres in height, up to a maximum of two (2) storeys, subject to the ARU not exceeding the height of the Principal Dwelling. Additionally, Staff recommend that to correct the previous staff error, proposed Section 4.2.1.4.c) be similarly revised but also include the permission to permit an ARU to be within an accessory structure used for agricultural purposes that is 9 metres in height.

This recommendation considers and respects existing neighbourhood contexts, and maintains compatibility considerations, in accordance with the policies of the Official Plan.

Should Council choose to not to reconsider the Motion, staff will prepare a provision within a draft by-law to implement Motion #2, as approved by Council on May 19, 2026.

Motion #3:

Motion #3 was intended to allow more flexibility for gross floor area of detached ARUs and to consider properties with existing more modestly sized principal dwellings. This Motion would permit up to 90% of the gross floor area of the Principal Dwelling in the Urban Area for detached ARUs. Staff recommended a gross floor area of up to 75% of the gross floor area of the Principal Dwelling in urban residential zones, subject to a maximum of 45% lot coverage. A maximum gross floor area of 100 square metres, in keeping with the rural zone provision, should have also been incorporated into the staff

recommended provision in Report DS-07-26. The purpose and intent of the staff recommended provision is to maintain secondary nature of ARU development.

Staff note that there are no Official Plan policies that prescribe gross floor area permissions for ARU development. Staff do acknowledge that permitting a floor area of 90% of the gross floor area would technically permit ARU development to be secondary in nature to the Principal Dwelling. However, it should be noted that an ARU development that is 10% less than the Principal Dwelling may not result in ARU development that is clearly secondary visually (i.e. a dwelling with 100 sq. metre floor area may look similar to a dwelling with 90 square metre floor area).

Staff Conclusion – Motion #3

Staff understand the intent of the Motion and feel that it can be implemented under the current policy framework. However, as discussed at the May 5, 2026 Committee of the Whole meeting, it is staff's opinion that specific safeguards should continue to be implemented to ensure neighbourhood compatibility and on-site functionality. This includes incorporating a 45% maximum total lot coverage provision and a maximum gross floor area of 100 square metres for the detached ARU.

Staff will include these changes, along with the discussed maximum lot coverage and gross floor area provisions for detached ARUs on urban residential lots in the implementing By-law.

Staff will include a provision to implement Motion #3 as approved by Council on May 19, 2026 within the implementing draft by-law.

Motion #4:

Motion #4 was intended to allow greater flexibility for ARU configurations. It would permit two (2) ARUs in one detached accessory structure on lots within the Urban Area and the Rural Area.

Staff initially considered permitting two (2) ARUs within one detached accessory structure. This consideration was discussed at the September 2025 Public Open House. However, staff determined that this zoning permission should be considered through an Official Plan review. Therefore, staff did not further pursue this provision.

Staff recommended that one (1) ARU may be in a detached accessory structure, and one (1) ARU may be attached to the Principal Dwelling. Alternately, two (2) ARUs may be attached to the Principal Dwelling, subject to no detached ARUs existing on the property. The intent of limiting the number of detached ARUs on a property is to maintain appropriate low-density neighborhood context and scale (within the Urban Area and Hamlets) and to maintain rural character / reduce scattered residential development (within the Rural Area).

Rural Area – Prime Agricultural Lands

The Provincial Planning Statement includes ARU requirements for lands identified as Prime Agricultural Lands. Lands that are identified as Prime Agricultural Lands within the Municipality are designated "Prime Agriculture" within the Official Plan. Section 4.3.2.5 of the PPS states:

“Where a residential dwelling is permitted on a lot in a prime agricultural area, up to two additional residential units shall be permitted in accordance with provincial guidance, provided that, where two additional residential units are proposed, at least one of these additional residential units is located within or attached to the principal dwelling [...]”

Therefore permitting two ARUs (2) on a detached structure within the Prime Agriculture designation would not be consistent with the PPS. This was discussed on May 5, 2026 when this Motion was introduced, and it is understood that Council does not expect staff to implement this change for properties within the Agriculture (A) Zone.

Rural Area – Outside of Prime Agricultural Lands and Hamlets

PPS does not have specific policies for all other lands within the Rural Area (i.e. outside of Prime Agricultural Areas and Hamlets) the. These lands are designated “General Agriculture” in the Official Plan. Staff note that the overarching policies of the Official Plan consider Prime Agriculture and General Agriculture designations in a similar fashion.

As outlined within the policy above, staff do not recommend permitting two (2) ARUs in a detached structure on lands designated Prime Agriculture due to inconsistency with the PPS. Regarding all other lands in the Rural Area outside of the Prime Agricultural Lands and Hamlets, the Official Plan requires lands less suitable for agricultural production be protected. Therefore, staff do not recommend two (2) ARUs in an accessory structure within the Rural Area, outside of Hamlets.

Rural Area – Hamlets

For lands designated “Hamlet” within the Official Plan, Section D2.2.1 states that a mix of suitable residential developed on private sewage and water systems, at appropriate densities, shall be encouraged within the Hamlet designation.

Urban Area

For the Urban Area, Section B12.4 (Municipal Intensification Policies) states that the Municipality shall “*permit limited intensification within Established Residential Areas at a scale and built form that reflects the established neighbourhood, including encouraging the creation of additional residential units*”.

When considering the above-noted policies for Urban Area and Hamlets, staff are of the opinion that two (2) detached ARUs in an accessory structure would result in development that will respect existing residential areas, subject to compliance with all ARU provisions as recommended above by staff.

Staff Conclusion – Motion #4

Staff recommend that Council reconsider this Motion so that it only applies to properties in Urban and Hamlet Residential Zones, as such development conforms to the Official Plan.

Should Council reconsider the passed Motion to permit two ARUs within a detached accessory structure with Urban and Hamlet Residential Zones, the recommended Motion is as follows:

“That staff be directed to permit two Additional Residential Units within a detached accessory structure within the Low Density Residential One (RES1), Low Density Residential Two (RES2), Medium Density Residential (RES3), High Density Residential (RES4), Hamlet Residential One (RESV1) and, Hamlet Residential Two (RESV2) Zones.”

Cumulative Impacts

Staff must consider zoning provisions from a cumulative perspective. For example, staff have recommended approval of one (1) detached ARU and, to a maximum of two (2) storeys, to a maximum gross floor area of 75% of the Principal Dwelling’s gross floor area, within the Urban Area. Through the passed Motions, two (2) ARUs in a detached structure to a maximum of three (3) storeys, to a maximum of gross floor area of 90% of the Principal Dwellings gross floor area would be permitted. The combination of the passed Motions intensifies potential impacts on existing neighbourhood character or rural character and may have additional impacts adjacent individual properties if appropriate safeguards are not in place.

It is noted that staff were unable to consider these impacts through the initial recommendation report brought to the Committee of the Whole on May 5, 2026. These impacts will be categorized into separate considerations:

Servicing

In considering the ARU provisions as passed through aforementioned Motions, staff note that no servicing review has been conducted to understand servicing constraints for ARU development (i.e. water and sewer capacity). Further, the initial intention of the proposed ARU provisions was to allow for more modest, incremental development of ARUs across the municipality. The intensification that could result from the passed Motions raises servicing considerations that should be addressed as part of the ARU Zoning By-law update.

Furthermore, Section B12.5 (Established Residential Areas) of the Official Plan states:

“Established Residential Areas, generally as designated “Low Density Residential” on Schedule “C-1” of the Plan, consist of existing residential neighbourhoods where intensification potential would be modest, incremental and where municipality servicing capacity is sufficient.”

Accordingly, as a safeguarding measure to protect existing residents and their properties, staff recommend adding a zoning provision that would make ARU development subject to servicing capacity confirmation. Such a provision is recommended to ensure that if ARU development becomes much more common and new ARUs are built at a faster rate, then staff have the ability to confirm that there is available capacity in the municipal water and sanitary systems when reviewing a building permit application for a new ARU.

Should Council reconsider the passed Motion and want to include a servicing capacity confirmation provision, a recommended new Motion to implement this is as follows:

“That staff be directed to include a servicing capacity confirmation provision for the development of Additional Residential Unit(s).”

Grading and Stormwater

Staff consulted with the Works and Engineering Department to discuss potential stormwater and grading implications. Potentially more common and larger ARUs could result in less pervious surface area for water infiltration (through grass, gardens, etc.). Further, through permitting increased floor area permissions (i.e. to 90% of the Principal Dwelling's gross floor area) this would result in greater impacts to stormwater infiltration and flows, therefore increasing risks of flooding. Additionally, such development may also affect grading of lots and redirect water drainage / flows on neighboring lots.

Staff recommend adding a zoning provision that will allow staff the ability to request a grading plan during the building permit review process in circumstances where drainage and stormwater flows may need more careful evaluation to ensure that the existing property and neighbouring properties are protected by the new development.

Should Council reconsider the passed Motion and want to include a grading plan / stormwater management plan provision, a recommended new Motion to implement this is as follows:

"That staff be directed to include a grading plan and stormwater management plan provision for the development of Additional Residential Unit(s)."

Further Considerations

Parking

Further review of the proposed parking requirements contained within Report DS-07-26, together with additional consultation with Municipal Law Enforcement (MLE) staff and input from Works and Engineering, has identified significant concerns with the originally proposed parking reductions. In particular, the proposal to permit less than one (1) parking space per residential unit on properties containing Additional Residential Units (ARUs) may not appropriately reflect existing parking pressures, roadway constraints, and operational realities in Port Hope. These concerns are heightened when considered alongside the broader direction previously discussed by Council to permit more intensive residential development, which may increase the number of residents, vehicles, and service demands associated with individual properties.

From an operational perspective, a reduction in off-street parking requirements could reasonably be expected to increase reliance on on-street parking in established residential neighbourhoods. While some degree of parking overflow may be manageable in isolated cases, staff are concerned that a broader reduction in parking standards for ARUs could create cumulative impacts across the municipality. In neighbourhoods where driveways are already constrained by lot frontage, existing building placement, or established site conditions, the likely result would be a greater use of municipal streets to accommodate resident and visitor vehicles. This would place additional demand on a public right-of-way that is not designed to function as the primary long-term parking supply for intensified residential properties.

Staff are particularly concerned that increased on-street parking could adversely affect the safe and efficient operation of local roads. Where vehicles are parked along one or

both sides of narrow residential streets, the effective travelled width of the roadway is reduced, which can impede two-way traffic movement, restrict sightlines, and create conflict points between vehicles, cyclists, and pedestrians. These impacts may be especially pronounced near intersections, curves, driveways, hydrants, sidewalks, school routes, and other sensitive areas where visibility and manoeuvrability are critical. Over-concentration of parked vehicles can also interfere with emergency access and service vehicle movement, including fire response, waste collection, and utility operations.

Works and Engineering staff have also identified implications for year-round municipal operations and lifecycle maintenance of the road network. Increased on-street parking can materially affect winter maintenance activities, including snow plowing, snow storage, sanding, and sidewalk clearing, particularly during overnight periods or snow events when vehicle relocation is inconsistent or difficult to enforce. Similar operational challenges arise during street sweeping, catch basin maintenance, pavement marking, and routine road repair activities, where parked vehicles limit municipal access and reduce service effectiveness. Over time, greater dependence on the street for regular parking may also contribute to faster surface wear, edge deterioration, and more frequent maintenance requirements, resulting in added costs to the municipality.

In addition to physical and operational impacts, MLE staff have identified enforcement concerns associated with a reduced parking standard. If zoning permissions allow a level of residential intensity that is not matched by adequate on-site parking, the municipality may experience increased complaints related to illegal parking, blocked sidewalks, obstructed sightlines, boulevard parking, and parking within prohibited areas. This can create additional pressure on enforcement resources and may lead to ongoing neighbourhood conflict where parking demand persistently exceeds available on-site supply. In this respect, the issue is not limited to individual lots, but extends to the broader public realm and the municipality's ability to manage parking expectations in a fair, practical, and consistent manner.

Staff also note that parking demand associated with ARUs is not uniform and may vary depending on household composition, tenancy arrangements, access to transit, proximity to services, and the form of dwelling created. However, in the absence of municipality-specific analysis, staff do not consider it prudent to assume that the addition of ARUs will have minimal vehicle ownership or parking demand in all cases. In Port Hope's context, where many residential areas are car-dependent to varying degrees and where road allowances in established neighbourhoods may be constrained, a significant reduction in the required parking rate may be premature.

MLE staff are of the opinion that any substantial reduction or modification to ARU parking requirements should not proceed without a more comprehensive understanding of the potential impacts. At a minimum, that work should examine on-street parking capacity, roadway widths, winter maintenance constraints, traffic operations, road safety, enforcement implications, neighbourhood character impacts, and the cumulative effect of incremental residential intensification over time. Staff further note that public engagement would be an important component of any future review, as residents in affected neighbourhoods are well positioned to provide input on existing parking conditions and localized operational issues.

Staff acknowledge that consultation with MLE on this matter should have occurred earlier in the review process. That additional consultation has now provided a more complete understanding of current conditions and the practical implications of the proposed changes. Based on this further review, staff are satisfied that the original parking recommendation should be revised.

At the same time, staff recognize the need to balance these concerns with the policy objective of not imposing parking standards that unnecessarily limit the viability of new housing opportunities. Parking requirements should support, rather than unduly constrain, the creation of ARUs. However, staff are of the view that the originally proposed reduction does not appropriately balance housing objectives with municipal operational realities and neighbourhood impacts. A more moderate approach is therefore recommended at this time.

Accordingly, staff recommend revising the parking provision to require one (1) parking space for the first new ARU, while permitting a second ARU without an additional parking space only where a minimum of three (3) parking spaces already exist on the property. In staff's opinion, this approach continues to reduce barriers to ARU development relative to the existing framework, while also maintaining a baseline level of on-site parking intended to mitigate spillover effects on municipal streets and surrounding neighbourhoods.

This revised provision would still represent a meaningful shift in support of additional residential development and is more consistent with both the general intent of the zoning by-law as it relates to residential parking and the framework established through provincial housing legislation, including Bill 23. It also provides a more measured and operationally responsible approach in the absence of a comprehensive parking study. Staff further commit to monitoring parking impacts associated with ARU development as implementation proceeds, so that future adjustments may be considered based on observed local conditions and evidence.

To address the revised parking recommendation, staff recommend the following Motion:

"That staff be directed to revise the proposed parking rate for Additional Residential Units as proposed within Report DS-07-26 to be one (1) parking space for the first new ARU, with a second ARU not requiring a new parking space if three (3) parking spaces exist on the property."

Financial Considerations:

There are no direct financial implications with respect to this report. Staff note that in accordance with the Provincial legislation, ARUs are exempt from development charges. Building permit fees still apply.

Communication and Public Engagement:

A Public Open House was held by the Planning Division on September 25, 2025. The Open House consisted of a presentation, interactive display boards outlining themes for potential amendments, and questionnaires. A total of 16 residents attended the Open House. Additionally, a statutory public meeting occurred on December 9, 2025. At the meeting, several discussion themes / questions were raised.

A statutory public meeting for the ARU Zoning By-law update was held on December 9, 2025.

On May 5, 2026 staff brought forward Report DS-07-26 to the Committee of the Whole. This report addressed questions and comments from the public meeting and explored adjustments to the proposed zoning changes based on the comments received. However, the changes approved by Committee of the Whole on May 5, 2026 and confirmed by Council on May 19, 2026 were not specifically considered at the public meeting, or within the staff recommendation report.

In accordance with the *Planning Act*, where a change is made in a proposed by-law after the holding of the public meeting, the council shall determine whether any further notice is to be given in respect of the proposed by-law and/or further public engagement to take place.

At this time, it is understood by staff that Council is proceeding without a further public meeting to consider the Council-approved Motions made at the Committee of the Whole meeting on May 5, 2026.

Strategic Plan Alignment:

Strategic Plan Pillar: Pillar 1: Inclusive

Strategic Plan Objective: Pillar 1 Objective: Remove barriers and facilitate housing of all kinds

The proposed revisions would still achieve the Council objective of removing barriers and facilitating housing.

Equity, Diversity and Inclusion Considerations:

The ARU and Innovative Housing Zoning By-law update is intended to provide a zoning framework to more easily permit housing development for a range of social groups, incomes, and life stages. This initiative may also increase the rental unit inventory throughout the Municipality, thereby providing greater housing opportunities to those who do not own property within the Municipality.

Report DS-07-26 addressed Equity, Diversity and Inclusion considerations for the Municipal ARU and Innovative Housing project, which was considered at the Committee of the Whole meeting on May 5, 2026. Further, this report seeks to provide full information to all members of the community concerning impending changes to the Zoning By-law, which may have a direct impact on them as residents within our community.

Conclusion:

Staff have had the opportunity to review and consider the five (5) Motions approved by Council with respect to providing further permissions and flexibility for new ARU development across the Municipality. Based on the above discussions, Staff recommend that Council reconsider some of the approved changes to maintain consistency with the Provincial Policy Statement, conformity with the Official Plan, intent of the Zoning By-law and to mitigate potential negative impacts to surrounding

properties. It is staff's opinion the proposed revisions can still achieve the intent of the Council-approved Motions. The proposed revisions are outlined as follows:

With respect to Motion #1:

Staff recommend that Council reconsider the Motion that would permit new septic system development on lots that are within urban residential zones and direct staff to revise the servicing provisions for new ARUs to consider new wells and septic systems on lots within the Hamlet Residential One and Two (RESV1 and RESV2), Rural Residential (RESR), Estate Residential (RESE), Agricultural (A), and Rural (RU) Zones, subject to conditions.

With respect to Motion #2:

Staff recommend that Council reconsider the Motion requiring ARUs to comply with overall zone requirements for height, and direct staff to revise the height permissions for ARUs in detached buildings within Residential and Countryside Zones to permit:

- a maximum ARU height of 6.5 metres, up to a maximum of two storeys;
- require that the ARU not exceed the height of the principal dwelling; and
- permit an ARU within an accessory structure used for agricultural purposes to be up to 9 metres in height.

With respect to Motion #3:

Staff will incorporate the changes approved within Council Motion #3, along with the discussed provisions to maintain maximum lot coverage and maximum gross floor area provisions in the implementing By-law.

With respect to Motion #4:

Staff recommend that Council reconsider the Motion that would permit up to two (2) ARUs in a detached structure in Countryside Zones, and direct staff to make this change applicable for Urban and Hamlet Residential Zones only.

With respect to consideration of potential cumulative impacts of the new ARU provisions:

Staff recommend that a new provision be incorporated into the implementing zoning by-law that will allow ARUs subject to confirmation of sufficient servicing capacity. Staff also recommend a new provision that will allow staff to request a grading / stormwater management plan to avoid flooding or improper drainage / waterflows resulting from ARU development.

With respect to the proposed parking requirement for ARUs provided in Report DS-07-2026:

Staff recommend that Council directs staff to revise the parking standard to require a parking rate of one (1) parking space for the first new ARU, with a second ARU not requiring a new parking space, provided three (3) parking spaces exist on the property.

To conclude, this report has provided a policy and technical overview to support the basis for staff's opinions on the additional zoning provisions for the ARUs resulting from the passed motions on May 5, 2026.

Should Council choose to not reconsider the Motion passed at the May 19, 2026 Council meeting, it is recommended that Council still pass a new Motion to implement recommended revisions and enact the servicing and grading / stormwater management safeguard provisions. The new Motion should address the following:

- Revise Section 4.32.1 to permit ARU development on private septic systems within the Urban Area.
- Prepare a servicing capacity confirmation provision for ARU development.
- Prepare a grading / stormwater management plan provision for ARU development.
- Revise proposed provision Section 4.2.1.1.r) to only permit new wells servicing ARUs in the Rural Area, subject to hydrogeological review.
- Revise proposed provision Section 4.2.1.4.c) to revise the permitted maximum height within Countryside Zones.
- Revise the proposed parking rate for ARUs.

Staff will prepare an updated draft Zoning By-law amendment based on the direction received from Council for final approval.

Attachments:

Attachment 1 - Servicing Zoning Provisions and PPS Servicing Policies

Attachment 2 - Land Use Designation Mapping (Urban Area)

Attachment 3 - Rendering of ARU – Height of 11 Metres

Attachment 4- Northumberland County Comments re: Septic Systems in Urban Area