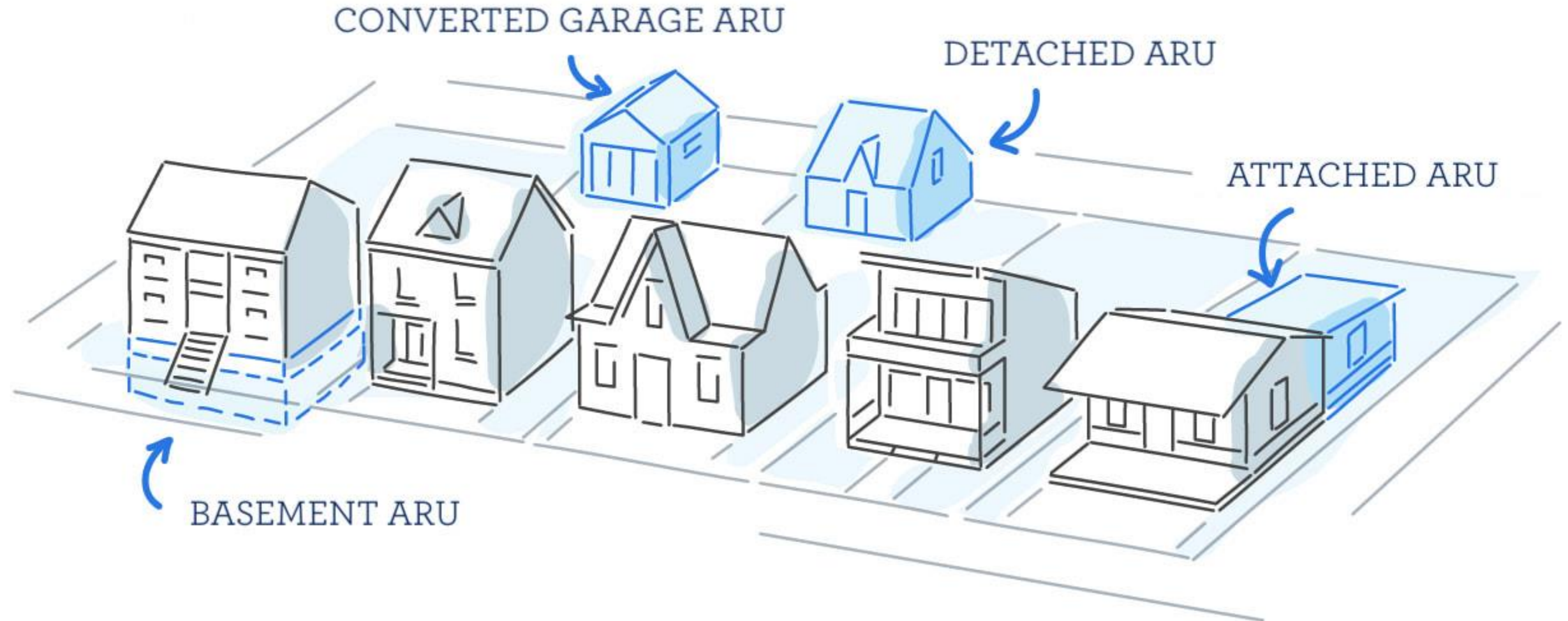


Additional Residential Units (ARUs)

SOK Talk Tobermory
March 28 2025

ARUs - What are they?



Why would people make them?



Financial Benefits



People Benefits

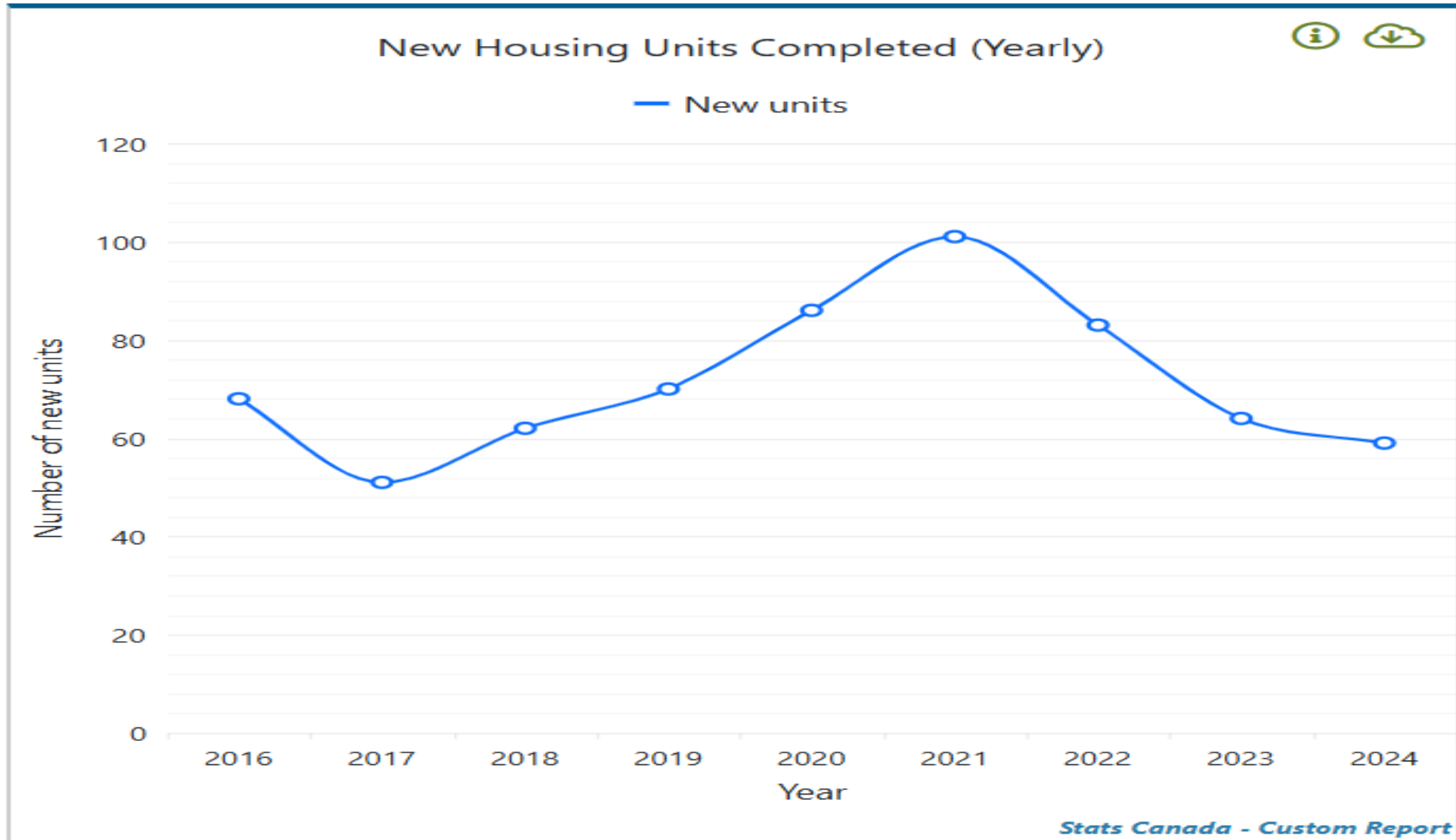


Community Benefits



Environmental Benefits

Housing Supply in NBP



Financing 101



Project Planning
Considerations



Financing Tools,
Offsets, and
Incentives



Income Potential

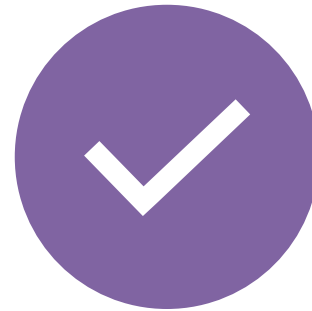
Design to your Site



KNOW YOUR ZONE



WORK WITH WHAT
YOU'VE GOT



PRE-FABRICATED/
PRE-APPROVED



ACCESSIBILITY AND
ENERGY

Current Additional Residential Unit Policy

- Additional Residential Unit permitted broadly where residential uses are permitted
- Implemented in Bruce County Official Plan in 2021
- Implemented in Northern Bruce Peninsula by Amendment to the Local Official Plan and Zoning By-law in June 2022

Additional Residential Units in Northern Bruce Peninsula

- Regulation through Section 6.3.15 of Zoning By-law 2002-54, as amended in June 2022.
- Consolidated copy [online](#) at [Planning | Municipality of Northern Bruce Peninsula \(northbrucepeninsula.ca\)](http://Planning|MunicipalityofNorthernBrucePeninsula(northbrucepeninsula.ca))

Key Points*:

- Not permitted on undersized lots
- In the R2 zone lot must be 4000 sq m, max of 1 ARU, must be within the primary dwelling**
- In RU1 and RU2 zone, lot must be 4000 sq m for 1 ARU or 6000 sq m for 2 ARUs
- In R1, R3 and R4 zone up to 2 ARU are permitted subject to lot area requirements

*paraphrase only - refer to the by-law and confer with zoning administrator.

**Niagara Escarpment Plan has similar requirements for any areas subject to Development Control

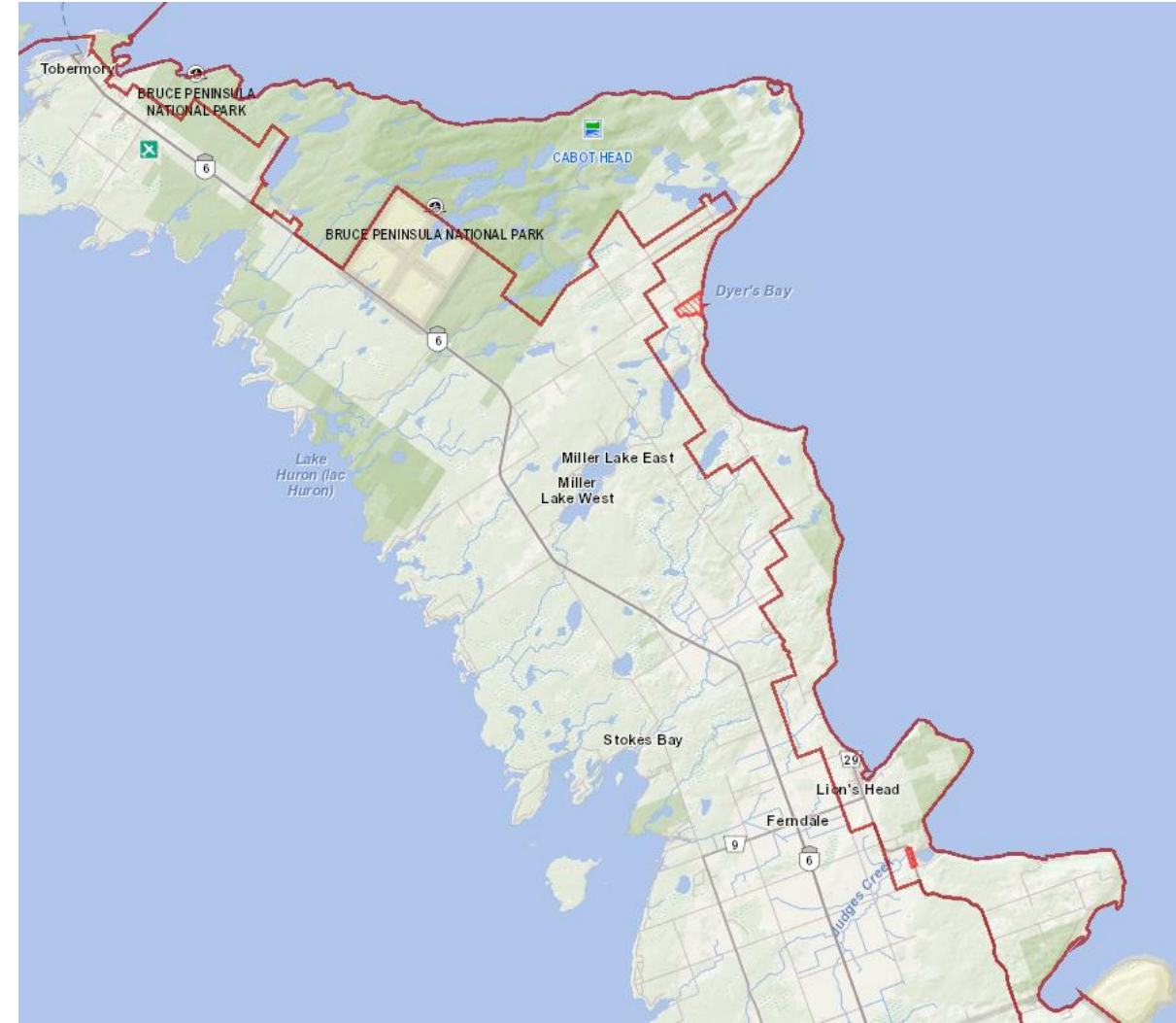
ARU Key Points*

- ARU must be smaller than primary dwelling
 - Detached ARU Must also be at least 70 sq m
 - Apartment ARU sizes are 40 sq m (bachelor) 60 sq m (1 Bedroom (BR) 70 sq m (2 BR) 90 sq m (3 BR) +10 sq m per BR thereafter
- Must be constructed for year-round use
- No new driveway permitted
- 1 parking space per ADU required
- Must meet yard setbacks and lot coverage provisions for a residential use, except side/rear yards for detached ARU are reduced to 1.5m
- Detached ARU Must be at least 2m from the primary dwelling and within 50m of the primary dwelling (in the RU1/RU2 zone)

*paraphrase only - refer to the by-law and confer with zoning administrator.

Niagara Escarpment Plan (NEP) Area

- Only 1 Additional Residential Unit
- Must be in the same building as primary residence
- Outside Lion's Head Most NEP Areas are zoned R2 or Development Control



Northern Bruce Peninsula

| Step | Details | Contact information and resources |
|-------------------------------|--|---|
| <p>1 Pre-Consultation</p> | <p>The Building Department works with builders and owners to ensure that the Ontario Building Code is met and that every structure built in Northern Bruce Peninsula is built safely.</p> <p>Building Officials:</p> <ul style="list-style-type: none"> • Review and approve Building Permits • Answer zoning inquiries • Ensure that building permit applications comply with current zoning regulations • Enforce Northern Bruce Peninsula's building and property standards by-laws <p>Contact your local Building Officials to discuss your ARU plans and ask any questions. In some cases, you may need to reach out to the Planning Department. The municipal website also contains further information to help you get started.</p> | <p>Building Department Olivia Daigle Building and Planning Administrative Assistant Phone: 519-793-3522 Ext. 226</p> <p>Municipal Office 56 Lindsay Road 5 Lion's Head, Ontario N0H 1W0</p> <p>Northern Bruce Peninsula Website</p> |

Looking ahead

- New County Official Plan proposes more flexibility for ARU on private services on smaller lots, allowing them without a supportive groundwater quality study where:
 - Reconfiguring existing dwellings without increasing volume of wastewater;
 - On smaller lots in Rural areas where there are no nearby developments

Financing: New Mortgage Insurance Rule Changes

Borrow up to 90% of property value, including value added by ARU

Already own the property

Borrower, or close relative, to occupy at least one unit

Intend to construct ARU

ARU can not be used as short-term rental

Amortization: 30 years

Financing: Federal and Provincial Tax Credits

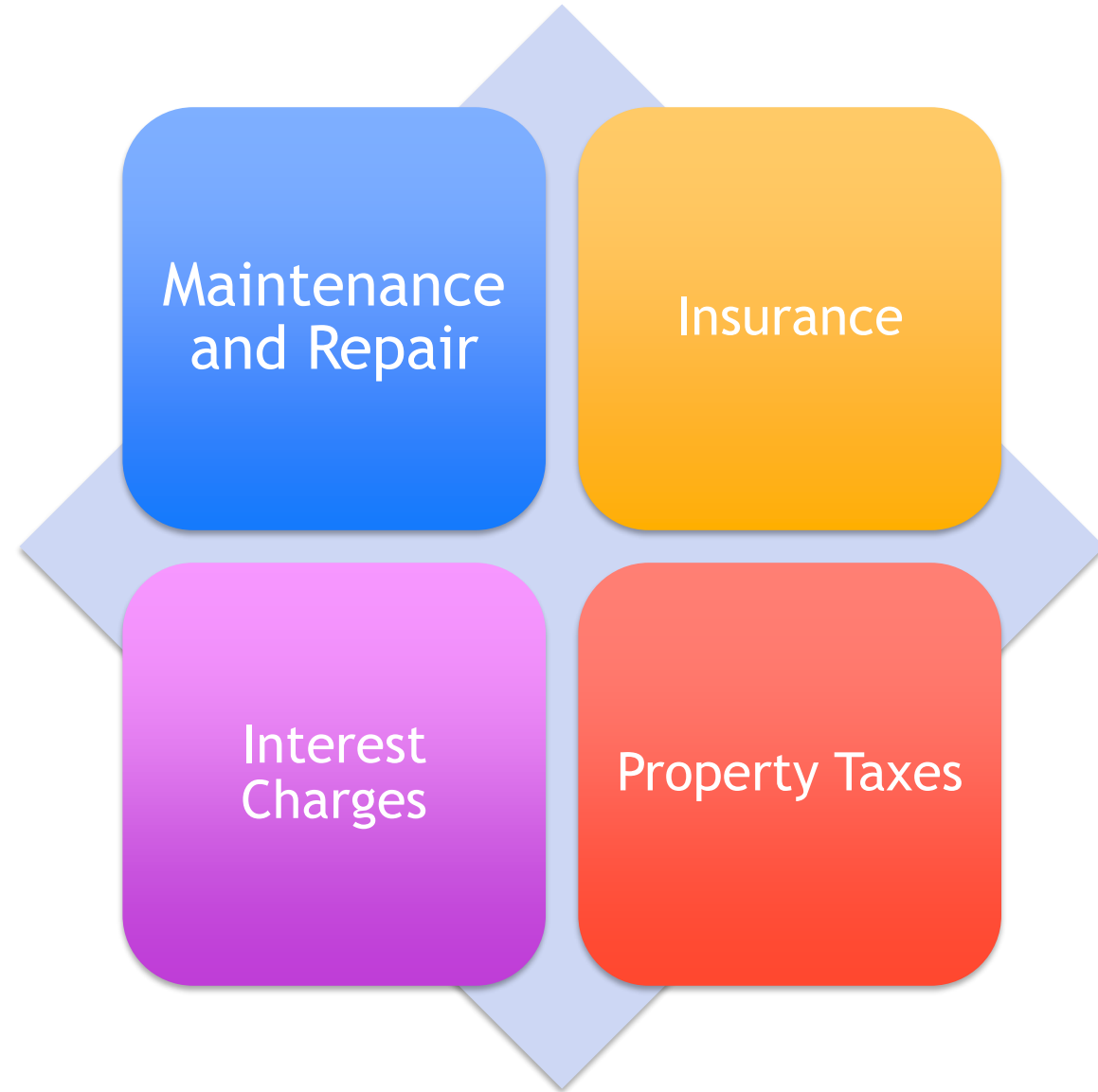
GST/HST Housing Rebate

- New or substantially renovated (90%), including modular homes
- Purchase/renovation up to \$450,000 value (Federal) or more (Provincial)

Multigenerational Home Renovation Credit

- Claim renovation expenses to create self-contained unit for a senior or disabled adult

Tax Deductions for Landlords



Development Charges

What are Development Charges?

- DCs assist in financing capital projects required to meet the increased need for services resulting from growth and development

Exemptions

- Accessory Residential Units
- Affordable Housing
- Rental Housing

ARU Pilot Program (2024)

The WHY?

To get affordable purpose-built rentals on-line faster

To analyze an ARU incentive program through a pilot project

The WHAT?

Up to \$50,000 for a ARU built in or on the homeowner's personal property

15-year forgivable loan

The HOW?

Application process through County website

Internal review and awarding system

Program Successes & Learnings

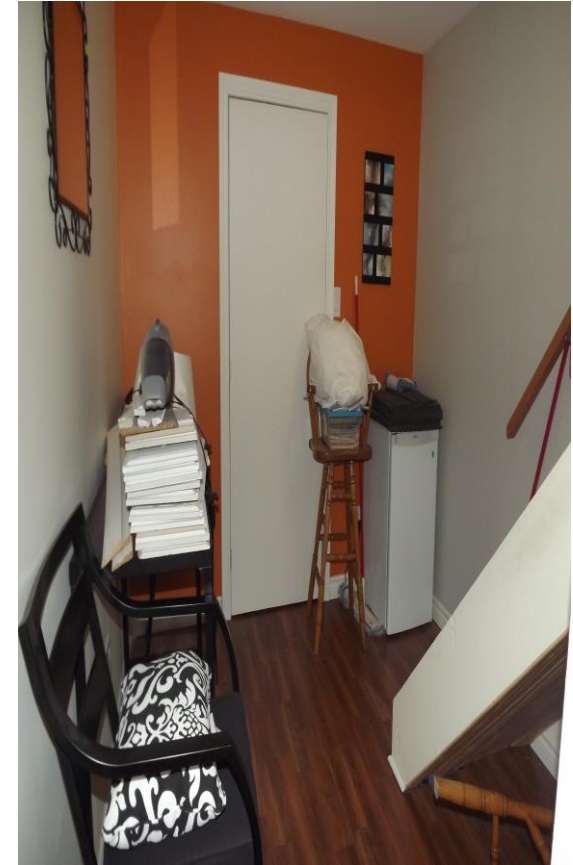
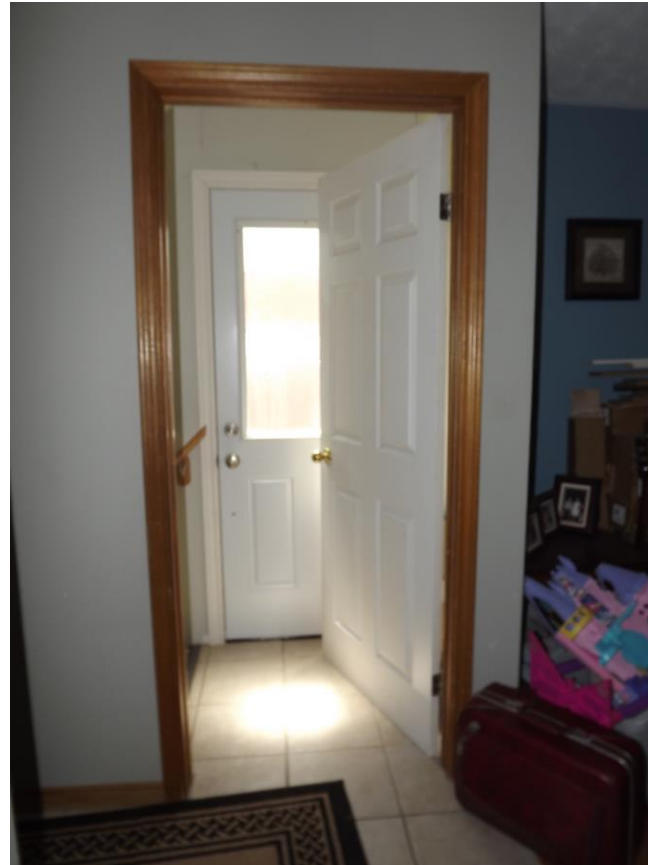
Successes

- Over 20 Inquiries
- Under 10 applications
- Successful applications

Learnings

- Timelines were too tight
- Not enough communication
- Application process was cumbersome
- Municipal staff need more information

2016 Project: Before



After



After



2025 ARU Program

- Spring 2025 launch
- Easier application process
- Longer application window
- Longer construction timeline
- Increase support throughout

Resources to consider

- [Web Page: Additional Residential Units | Bruce County](#)

Step By Step Guide

This Step-by-Step guide contains key information on the pathways for homeowners to create additional residential units in Bruce County. It includes key information on how to get started, design considerations, financial considerations, and the municipal approvals process.

1. **Getting Started**

2. **Design Requirements**

3. **Financial Considerations**

4. **The Municipal Approvals Process**

Landlord 101

Contacts:

Jack Vandorp

Director Planning & Development

Jvandorp@brucecounty.on.ca

Tania Dickson

Housing Services Manager

Tdickson@brucecounty.on.ca

For program launch info:

housingconcierge@brucecounty.on.ca