

## Staff Report 2025-0466

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Meeting: Planning and Development Committee Meeting

Meeting Date: September 16, 2025

Subject: Enabling More Homes in Caledon (POPA 25-0013, RZ 25-0015)

Submitted By: Brandon Bell, Senior Development Planner, Planning Department

### RECOMMENDATION

That the By-law attached as Schedule “A” to Staff Report 2025-0466 be enacted to adopt Official Plan Amendment Numbers C-2, 6 and 288, to implement specific policy changes pertaining to Additional Residential Units (‘ARUs’) and Multiplexes;

That the By-law attached as Schedule “C” to Staff Report 2025-0466 be enacted to amend Comprehensive Zoning By-law 2006-50, as amended to permit changes pertaining to ARUs and Multiplexes;

That in accordance with Section 34(17) of the *Planning Act*, no further notice is required to be provided on the proposed Zoning By-law Amendment.

### REPORT HIGHLIGHTS

- Proposed amendments increase existing permissions in the Town’s zoning by-law for Accessory Residential Units (ARUs) from two units to three, and simplify development standards for clarity.
- Proposed amendments introduce permissions for multiplexes in Caledon’s urban areas with carefully considered design standards that respect existing community character.
- A statutory Public Meeting was held on July 15, 2025 in accordance with the requirements of the Planning Act. All comments have been reviewed and where appropriate, incorporated in the proposed amendments attached to this report.
- Proposed amendments are consistent with the Provincial Planning Statement, 2024 (‘PPS 2024’) and relevant provincial plans.

### DISCUSSION

Staff recommends that Council adopt the proposed Official Plan Amendments and enact the proposed Zoning By-law Amendment to better enable Accessory Residential Units (ARUs) and multiplexes throughout Caledon as-of-right. With these ‘as-of-right’ permissions, individual rezoning would not be required for sites, provided that development standards are met. As-of-right permissions simplify the approval process and support the acceleration of housing in Caledon.

#### Background

Caledon is expected to be home to 300,000 residents by 2051, and even in the near-term, the Town will grow much faster than the national average. This rapid growth in Caledon’s population will drive a significant increase in demand for market and affordable attainable housing.



The Federal Government's Housing Accelerator Fund (HAF) aims to fast-track the supply of housing across Canada. Caledon was the successful recipient of \$14M through the fund, conditional on the delivery of eight initiatives that realize 2,628 housing units by December 11, 2027. These initiatives include:

1. New and Enhanced Processes and Systems;
2. Unlocking Housing in Strategic Growth Areas;
3. Incentive Program – Multiplexes and ARUs in Rural and Urban Areas;
4. Missing Middle Housing Program for Urban Areas;
5. Expanding Housing Options in Rural Areas;
6. Vacant Lands Program for Affordable and Attainable Housing;
7. Incentive Program – Rental Housing on Surplus Town-owned Lands; and
8. Pilot Community Planning Permit System (CPPS).

The proposed changes presented in this report will effectively implement initiatives #4 and #5 and support the delivery of homes necessary to accommodate Caledon's projected population growth.

### Proposed Changes

#### Proposed Official Plan Amendment (POPA 2025-0013)

The proposed town-initiated Official Plan Amendments to the in-force 1978 Official Plan, Region of Peel Official Plan (as it applies to Caledon), and adopted Future Caledon Official Plan enable more attainable housing options.

These changes permit multiplexes in urban settlement areas and increase the maximum number ARUs Town-wide in conformity with the 2024 PPS and all applicable Provincial Plans. The proposed amendments ensure a balance that maintains Caledon's character and need for housing.

The proposed changes are contained within Schedule 'A' to this report.

#### Proposed Zoning By-law Amendment (RZ 2025-0015)

To implement the policies of the Official Plans that enable more attainable housing choices, the proposed zoning amendments i) simplify the existing ARU framework, and ii) introduce development standards for multiplexes.

The proposed changes are contained within Schedule 'B' to this report and summarized below.

#### i) Simplified ARU Framework

Caledon's zoning by-law already permits two ARUs on lots containing a primary residential dwelling in all urban residential areas. But as demonstrated by the Town's recent [Housing Needs Assessment](#), there is still a significant mismatch between household size and the available housing stock in Caledon. While a large portion of households are comprised of one or two people (40%), the majority of Caledon's housing stock (89%) consists of larger homes with three or more bedrooms. To this end, ARUs offer a housing option not widely available in Caledon.

Key changes for the proposed amendments include:

- Number of ARUs permitted on a lot: The number of ARUs permitted on a single lot has been increased to a maximum of three, up from two in urban settlement areas and up from one in rural areas.
- Expanded permissions for detached ARUs: Development standards for detached ARUs were simplified and improved. In rural areas, a temporary by-law is no longer required for detached ARUs, subject to Provincial Plan policies and the PPS, 2024.
- Simple, clear standards: Town-wide rules now apply to ARUs, with specific standards across residential, rural, agricultural and environmental zones:
  - Maximum Size: A detached ARU in the urban settlement area cannot be larger than 80 m<sup>2</sup>, nor larger than the ground floor area of the main house. In the rural area, a detached ARU cannot be larger than the ground floor area of the main house and is limited to 110 m<sup>2</sup>.
  - Height and Location: A detached ARU in the urban settlement area can be as high as 4.5m, and in the rural area, no higher than the main dwelling on the lot or the existing zone requirement, whichever is less.
  - Parking: At least one parking spot is required for each ARU. Where there is a transit stop within 400 metres of the lot, the parking space requirement for the first ARU can be waived.
  - Provincial Plans: To ensure we continue to protect our natural heritage, the rules for ARUs will still be subject to the policies of our Provincial Plans. While we strive to unlock more housing opportunities, we also need to protect our important landscape.

Existing definitions and provisions were modified or deleted, and new definitions have been provided in the proposed amendment to ensure clarity. Of note, the proposed amendments only apply to lands subject to Comprehensive Zoning By-law 2006-50. It is anticipated that the forthcoming comprehensive zoning by-law review will consolidate by-laws 87-250, 87-229 and 88-83. Until then, these amendments will not apply to these lands.

ii) New development standards for multiplexes

The proposed amendments introduce the multiplex built-form (“residential building with multiple dwelling units”), as a permitted residential typology in urban settlement areas. The proposed development standards ensure that these buildings are compatible with the existing scale and character of Caledon’s residential neighbourhoods. Key provisions include:

- Number of Dwelling Units: The maximum number of dwelling units is limited to four.

- **Building Height:** The maximum building height for a 3- or 4-unit multiplex is set at 11 metres and a maximum of 10.6 metres for a 2-unit multiplex, ensuring heights remain consistent with the height of surrounding detached homes.
- **Lot Area and Frontage:** Minimum lot area and frontage requirements vary depending on the number of units within the multiplex, ensuring that they are appropriately scaled to the lot.
- **Setbacks and Landscaped Area:** Specific minimum yard setbacks and a minimum landscaped area of up to 20% are required to maintain a consistent streetscape and provide open space on the lot.
- **Parking:** A minimum of one parking space per dwelling unit is to be accommodated on the property

These amendments enable infill opportunities within existing communities, and as-of-right opportunities to new community areas. This approach fosters a greater mix of housing options than currently permitted. Proposed design standards ensure that any increased density is “gentle” and integrates within the existing community fabric.

### **Alignment with Provincial Plans**

The proposed Official Plan and Zoning By-law amendments demonstrate clear alignment to the policies of the PPS 2024 by enabling a range and mix of housing options, particularly in existing settlement areas (2.3.1). This approach provides policy that will help increase the overall supply of housing, including forms that are often more affordable, thereby contributing to the PPS 2024’s objective to plan for housing that is “affordable to low- and moderate-income households” (2.2.1). These changes also reinforce the principle of “gentle density” by ensuring that multiplexes and detached ARUs are designed to integrate with the existing built form, a key consideration for the achievement of complete communities.

The proposed amendments introduce clear criteria for permitting ARUs in prime agricultural areas, directly reflecting Policy 4.3.2.5. This policy allows for up to two ARUs on a lot in prime agricultural areas, provided they meet specific criteria, such as complying with minimum distance separation formulae and minimizing land taken out of agricultural production.

The proposed amendments explicitly state that where proposed policies may conflict with other provincial plans, such as the Niagara Escarpment Plan (‘NEP’), Oak Ridges Moraine Conservation Plan (‘ORMCP’), or the Greenbelt Plan, the provincial plan’s policies take precedence. To clarify the permissions for ARUs within these specific plan areas, a detailed table has been provided in Schedule ‘F’.

### **Consultation**

In accordance with the Planning Act, a Notice of Application and Public Meeting was placed in the Caledon Enterprise on June 19, 2025. The Notice was also posted on the Town’s website.

The proposed amendment was circulated to external agencies and internal departments for review and comment. Comments are attached to this report as Schedule 'C'. No objections to the proposed Official Plan Amendment and Zoning By-law Amendment Applications were received.

A statutory Public Meeting was held on July 15, 2025 in accordance with the requirements of the *Planning Act*. Questions and comments raised at the Public Meeting and received during the commenting window are summarized in Schedule 'D'.

Since the Public Meeting, through the processing of both the Draft Official Plan Amendment and Zoning By-law Amendment, minor refinements have been included. Clarifications are minor and maintain the intent of the application. It is recommended that no further notice or a Public Meeting is required as per Section 34(17) of the *Planning Act*.

## **FINANCIAL IMPLICATIONS**

The implementation of the proposed Official Plan and Zoning By-law amendments is a condition of Caledon's continued eligibility for funding through the HAF. Failure to implement these changes would require a renegotiation of Caledon's contribution agreement and may jeopardize subsequent funding installments (\$10,493,807).

There are no financial implications should Council adopt these changes given that the proposed changes align with existing infrastructure plans.

## **COUNCIL WORK PLAN**

### **Strategic Plan 2023-2035**

This report is directly related to the following priority in Caledon's 2023-2035 Strategic Plan:

Community Vitality and Livability

Details about Caledon's 2023-2035 Strategic Plan can be found at [caledon.ca/strategicplan](https://caledon.ca/strategicplan).

## **ATTACHMENTS**

- Schedule A: Proposed Official Plan Amendments
- Schedule B: Proposed Zoning By-law Amendment
- Schedule C: Agency and Department Comment Sheet
- Schedule D: Public Comment and Response Document
- Schedule E: ARU Development Standards Benchmarking
- Schedule F: Additional Residential Units in Provincial Plan Areas