



# RESEARCH HIGHLIGHT

## Literature Review and Case Studies of Local Jurisdictions that Permit Secondary Suites

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### INTRODUCTION

The 2010 National Building Code of Canada (NBC) defines a secondary suite as 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. Secondary suites (also known as “accessory suites”) are one possible solution to increasing rental housing supply in communities across Canada. Secondary suites are a form of market housing which results in greater choice and affordability of rental housing. While the volume of purpose-built new rental housing has declined over the past two decades, there has been an increase in the number of non-conventional rental housing units, which include rental condominiums, houses for rent and secondary suites.

Increasingly, municipalities in Canada are encouraging the development of secondary suites with the goals of expanding the supply of affordable rental units available in the market and creating opportunities for more affordable homeownership. The percentage of municipalities in census metropolitan areas (CMAs) that permit accessory suites increased from 54% (220 of 404 municipalities) in 2006 to 78% (292 of 373 municipalities) in 2014.<sup>1</sup> Many communities are now recognizing the need to stabilize or increase population densities in certain areas to be able to maintain existing public infrastructure and services and the tax base. The greater awareness of the need for more sustainable communities has also led to many communities seeking

to concentrate population density in specific areas to encourage public transit use and reduce urban sprawl.<sup>2</sup>

Secondary suites offer a way to make homeownership more affordable for owners. The rental income can help seniors maintain and stay in their homes longer and support the mortgage payments of first-time homebuyers.

To support knowledge and informed decision making regarding secondary suites, Canada Mortgage and Housing Corporation (CMHC) initiated a research project to document approaches used successfully by local governments across Canada to allow or encourage the creation of secondary suites in residential areas. As more municipalities develop policies and approaches to permit secondary suites, CMHC was also interested in raising awareness of the extent to which these approaches are helping to increase the supply of affordable rental housing. The intent is to provide valuable information to municipalities and other stakeholders to support the creation of secondary suites and inform related regulatory and policy considerations.

### METHODOLOGY

The study included a **literature review** and case studies. The literature review focused on existing research on the benefits and challenges of implementing a secondary suite program, policies to support the development of secondary suites, and factors that led to their success. The review included Canadian and American literature and resources from the last two decades.

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<sup>1</sup> CMHC (2014). *Accessory Apartment Regulations in Canadian Census Metropolitan Areas and Census Agglomerations*.

<sup>2</sup> Cobb, R. L. and S. Dvorak (2000). *Accessory Dwelling Units: Model State Act and Local Ordinance*.

The seven **case studies** were chosen to illustrate the range of policies and regulations developed in communities across Canada. For each case study, an overview of the municipality's policies and regulations, an analysis of the current rental market and a discussion of outcomes resulting from the policies were prepared. Based on the following criteria, the selection of the recommended case studies:

- reflected rental housing market conditions throughout the country;
- included different-sized communities, including large metropolitan areas as well as smaller, less urban municipalities;
- reflected differences in planning context with respect to economic conditions and growth;
- considered the length of time that the secondary suite policy has been in the implementation stage;
- considered availability of data;
- reflected various socio-economic factors, including seniors' population and migration; and
- included a range of municipal approaches to supporting secondary suites.

Each municipality highlighted within the case study analysis has shown leadership in developing local policies and creating a legislative framework to increase the supply of affordable housing through the encouragement and facilitation of the development of secondary suites. Information was gathered for each case study through interviews with key informants, data analysis and review of background reports.

## FINDINGS

### Findings from the literature review

#### Benefits

Secondary suites provide a number of benefits in Canadian housing markets.

#### Benefits for tenants

#### Additional rental housing options

Secondary suites provide more choice in both the type and location of rental accommodation. They are a ground-oriented housing type with a separate entrance and, often, access to a yard.<sup>3</sup> They provide renters with an opportunity to live in lower-density residential neighbourhoods, which usually have access to schools, recreation centres and other services but may have very little conventional rental housing.<sup>4</sup> The rental housing options that exist in rural areas are often in the form of secondary market units.<sup>5</sup>

#### Enhanced affordable rental housing stock

Secondary suites provide affordable rental housing without the need for subsidies from any level of government.<sup>6</sup> Secondary suites increase the affordable housing supply in communities, as their rent levels are typically lower than average market rents for purpose-built rental housing.<sup>7</sup> Secondary suites are also a good way to increase the rental housing supply in a shorter period of time, compared to purpose-built rental buildings.

#### Provision of housing for new immigrants

Research shows that many new immigrants and refugees will face challenges related to finding good quality, affordable housing, suitable for a larger family.<sup>8</sup> Secondary suites may provide an affordable option for these households.

<sup>3</sup> City of Vancouver, Community Services Group (2009). *The Role of Secondary Suites: Rental Housing Strategy – Study 4*.

<sup>4</sup> U.S. Department of Housing and Urban Development, Office of Policy Development and Research (2008). *Accessory Dwelling Units: Case Study*.

<sup>5</sup> Gunn, A., T. Carter and J. Osborne (2009). *The Secondary Rental Market: A Literature Review and Case Study*. The Canada Research Chair in Urban Change and Adaptation, University of Winnipeg.

<sup>6</sup> City of Vancouver, Community Services Group (2009). Op. cit. 3.

<sup>7</sup> Town of Innisfil, Planning Services Department (2013). *Second Units Background Report*.

<sup>8</sup> Murdie, R. and C. Teixeira (2003). *Towards a Comfortable Neighbourhood and Appropriate Housing: Immigrant Experiences in Toronto*. CERIS Working Paper No. 10.

## Benefits for homeowners

### Assistance with mortgage

The revenue from secondary suites can benefit homeowners by providing assistance with mortgage payments. Income from secondary suites may also help new homebuyers qualify for a mortgage in cases where their regular income alone is not sufficient.<sup>9</sup> The legalization of secondary suites in communities provides new homebuyers with the option of having their builder include a suite in the new home. This would allow the suite to be covered by a warranty program in some areas. The renovation sector would also benefit from having owners of existing homes hire legitimate contractors to build secondary suites.<sup>10</sup>

### Facilitated aging in place

Seniors prefer, if possible, to age in place, that is, to continue to live independently in their homes and neighbourhoods for as long as possible. Converting the housing stock that seniors own and occupy to create secondary suites can have potential benefits for both seniors and the neighbourhoods in which they live.<sup>11</sup> Secondary suites may help older homeowners on a fixed income afford to remain in their homes longer by providing an extra source of income. There is also a measure of security in the knowledge that another adult is close by to assist. A secondary suite can also provide accommodation for a live-in caregiver. Sometimes, an informal arrangement can be made where the tenant of the secondary suite provides help with personal care of the homeowner and/or the upkeep of the home in return for accommodation.<sup>12</sup> Secondary suites can provide a flexible form of housing by creating a unit that allows homes to adapt to the changing lifestyle needs of homeowners, moving back and forth between family use and rental unit.<sup>13</sup>

## Potential to accommodate extended family

Secondary suites can also help homeowners accommodate elderly parents, adult children or other family members, offering companionship while preserving independence and privacy. By providing an option for elderly family members, secondary suites allow them to age in place, remaining in the community close to their social networks rather than having to move to a retirement home elsewhere.<sup>14</sup>

### Increased property resale values

Secondary suites and the potential rental income they provide may add resale value to a home.<sup>15</sup> The presence of a secondary suite may have a particularly positively effect on housing prices in areas where secondary suites are more accepted or popular, such as in cities like Toronto or Vancouver.<sup>16</sup>

## Benefits for communities

### Increased affordable housing stock

Municipalities often participate in affordable housing programs that require matching funds, land donations or other contributions. Encouraging the private development of secondary suites increases the affordable housing stock without the need for government investment.<sup>17</sup>

### Increased safety

Illegal secondary suites might not conform to current building and fire code standards. Legalizing secondary suites increases the safety and well-being of tenants, as it creates a framework to bring suites up to standard.<sup>18</sup>

### Preserved neighbourhood character

When compared to higher-density apartment buildings, secondary suites do not significantly change the form or character of lower-density residential neighbourhoods.<sup>19</sup>

<sup>9</sup> Manitoba (2011). *Municipal Planning Guidelines for Secondary Suites*.

<sup>10</sup> Hanes, T. (December 3, 2010). "Secondary suites a boon to home owners and builders." *Toronto Star*, Life Section – Homes.

<sup>11</sup> CMHC (2006). *Seniors' Housing for Seniors: A Feasibility Study*. Research Highlight.

<sup>12</sup> Regional District of Nanaimo (2013). *Secondary Suites Study*.

<sup>13</sup> CMHC (2000). *FlexHousing™: Building Adaptable Housing*. Research Highlight.

<sup>14</sup> Manitoba (2011). Op. cit. 9.

<sup>15</sup> Ibid.

<sup>16</sup> CMHC (2006). Op. cit. 11.

<sup>17</sup> British Columbia Ministry of Community, Aboriginal and Women's Services (2005). *Secondary Suites: A Guide for Local Governments*.

<sup>18</sup> Town of Innisfil, Planning Services Department (2013). Op. cit. 7.

<sup>19</sup> Manitoba (2011). Op.cit. 9.

### Greater community diversity

Secondary suites help create neighbourhood diversity by providing affordable or specialized housing to renters, or mortgage help to first-time homebuyers and other homeowners. People from a range of incomes<sup>20</sup> and age groups have the opportunity to live in the same neighbourhood.<sup>21</sup> In addition, secondary suites provide affordable housing for workers, which, in turn, helps promote local economic development.<sup>22</sup>

### More efficient use of municipal infrastructure and promotion of smart growth

Secondary suites increase the housing supply while using existing dwellings. This results in a more efficient use of municipal infrastructure, such as transit, utilities, roads, recreation centres and parks. The reduced pressure to develop on greenfield sites can protect valuable farmland or wildlife habitats and lower the infrastructure construction and maintenance costs related to new development, decrease the carbon footprint and limit urban sprawl. The increase in population in existing neighbourhoods that is brought about by the development of secondary suites can also enhance the viability of local schools, community centres, shops and other local businesses and services.<sup>23</sup>

### Increased municipal assessment values

Increases in assessed property values due to the addition of secondary suites will result in higher taxes paid to the municipality.<sup>24</sup>

### Issues

While there are a large number of benefits to permitting and encouraging the development of secondary suites in a community, there are also some issues associated with this housing type.

#### Lack of fairness in property taxes and municipal servicing and costs

Some homeowners with illegal secondary suites may not be paying their fair share of property taxes.<sup>25</sup> Assessments of legal secondary suites need to reflect their impacts on municipal services.<sup>26</sup>

#### Parking concerns

To address concerns that secondary suites will create on-street parking problems and increased traffic on local streets,<sup>27</sup> local governments that permit secondary suites typically require at least one off-street parking space for secondary suites in addition to the off-street parking requirements for the main dwelling unit. However, studies conducted on secondary suites in more urban settings have found that, on average, they do not generate demand for an extra full parking space.<sup>28</sup> Allowing secondary suites in areas close to transit and a range of amenities will make it easier for the occupants of the suites to live without owning a vehicle. Considering that many low-income renters do not own a vehicle and that the ability to drive of a growing number of seniors is becoming limited by age-related disabilities, actual additional off-street parking requirements will be less for secondary suites than for many other forms of housing.<sup>29</sup>

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<sup>20</sup> Ibid.

<sup>21</sup> City of Vancouver, Community Services Group (2009). *The Role of Secondary Suites: Rental Housing Strategy – Study 4*; and British Columbia Ministry of Community, Aboriginal and Women's Services (2005). *Secondary Suites: A Guide for Local Governments*.

<sup>22</sup> Manitoba Housing (2009). *Home Works: A Housing Strategy and Policy Framework for Manitoba*.

<sup>23</sup> Manitoba (2011). Op. cit. 9.

<sup>24</sup> Ibid.

<sup>25</sup> City of Vancouver, Community Services Group (2009); and British Columbia Ministry of Community, Aboriginal and Women's Services (2005). Op. cit. 21.

<sup>26</sup> Regional District of Nanaimo (2013). Op. cit. 12.

<sup>27</sup> City of Vancouver, Community Services Group (2009); and British Columbia Ministry of Community, Aboriginal and Women's Services (2005). Op. cit. 21.

<sup>28</sup> Regional District of Nanaimo (2013). Op. cit. 12.

<sup>29</sup> Ibid.

## Unsafe living conditions

Tenants of secondary suites that were created without proper permits, that are not safe or that do not meet local health and safety standards may be reluctant to complain about the conditions for fear of losing housing that they can afford.<sup>30</sup> Costs associated with the creation of a secondary suite vary but could be quite significant when the requirements of the former National Building Code were met, on account of the generic nature of those requirements.<sup>31</sup> The National Building Code of Canada and the National Fire Code of Canada were updated in 2010 to include specific provisions for secondary suites within a revised definition of the term “house” and to provide a uniform national code to address the baseline regulations that secondary suites should meet.<sup>32</sup>

## Non-compliance

The large numbers of secondary suites that are amateur home renovations and do not meet zoning requirements or building codes present a significant enforcement issue for municipalities. Overly restrictive regulations and an onerous permitting process can discourage property owners from following the rules. The challenge is to create regulations that balance the health and safety needs of tenants with a permissive and expedient development process for property owners.<sup>33</sup>

## Instability of rental housing supply

Owners can remove secondary suites from the rental stock very quickly. The existence of a secondary rental market, which includes secondary suites, is often dependent on several factors, including economic conditions and real estate prices. In better economic conditions, owners of secondary suites may not need to rent out their suites to help with their housing costs.<sup>34</sup> Other factors include difficulties in

finding good tenants, maintaining the suite and collecting the rent.<sup>35</sup> There are also challenges associated with interpersonal relationships and shared finances, for example, when the tenant contributes to the cost of utilities.<sup>36</sup> It is often easier for homeowner landlords to withdraw their secondary suite from the rental market than for other types of landlords to remove a purpose-built rental unit.<sup>37</sup>

## Challenges in obtaining approvals

There can be challenges to developing secondary suites in established neighbourhoods, particularly in jurisdictions where a public hearing is required for approval, sometimes due to misperceptions associated with impacts on traffic, parking and neighbourhood character.<sup>38</sup>

## Significant development costs

Developing a secondary suite or bringing an existing suite up to current legal standards can involve significant financial investment. Some of the expenses associated with developing and owning a secondary suite includes application, building permit, registration and licensing fees, construction costs, increased property taxes, increased insurance premiums, and maintenance costs.<sup>39</sup> Building secondary suites in some areas may also have additional costs, for example, where increased sewer discharge from a secondary suite would have to be accommodated in septic fields (which may be an issue for smaller lots).<sup>40</sup>

## Findings from the case study analysis

The following table provides key highlights of the overall secondary suite policy direction and outcomes from the seven case studies.

<sup>30</sup> City of Vancouver, Community Services Group (2009); and British Columbia Ministry of Community, Aboriginal and Women’s Services (2005). Op. cit. 21.

<sup>31</sup> CMHC (2006). *Code Requirements and Costs of Incorporating Accessory Apartments in Houses*.

<sup>32</sup> Manitoba (2011). Op. cit. 9.

<sup>33</sup> Ibid.

<sup>34</sup> Gunn, A., T. Carter and J. Osborne (2009). Op. cit. 5.

<sup>35</sup> SHS Inc. (2004). *City of Toronto Second Suites (Accessory Apartments) Review*.

<sup>36</sup> CMHC (2005). *Issues and Strategies for Shared Accommodation*.

<sup>37</sup> SHS Inc. (2004). Op. cit. 35.

<sup>38</sup> Manitoba (2011). Op. cit. 9.

<sup>39</sup> City of Calgary (2010). *Secondary Suites: A Guide for Homeowners*.

<sup>40</sup> Manitoba (2011). Op. cit. 9.

**Table 1** Case Study Summary of Policy Directions and Outcomes

Case study	Policy direction	Highlights of regulations	Key outcomes and success factors
Vancouver	<ul style="list-style-type: none"> <li>■ Address large number of illegal suites</li> <li>■ Conduct a plebiscite (which showed support in community)</li> <li>■ Improve housing affordability</li> </ul>	<ul style="list-style-type: none"> <li>■ As-of-right development in one-family, two-family, multi-family (apartment or condominium) housing, other multiple-unit dwellings, and mixed-use developments</li> <li>■ Inclusion of one bathroom and no more than one kitchen</li> <li>■ Permit and inspection fees</li> <li>■ Annual business licence</li> <li>■ Additional infrastructure fees</li> </ul>	<ul style="list-style-type: none"> <li>■ Secondary suites helped to address strong rental demand</li> <li>■ Permits increased by 34% from 2007 to 2011 for new suites</li> <li>■ Permits for existing suites also increased</li> <li>■ There were 1,083 starts and 1,178 completions in 2013</li> <li>■ Builders/developers are increasingly including secondary suites in new residential developments</li> </ul>
Nanaimo	<ul style="list-style-type: none"> <li>■ Address illegal suites</li> <li>■ Facilitate more affordable housing</li> </ul>	<ul style="list-style-type: none"> <li>■ Development in single-family home residential areas and accessory dwellings</li> <li>■ Development in residential, agricultural and commercial zones</li> <li>■ Doubling of solid waste collection fees</li> <li>■ Maximum of two bedrooms per suite</li> </ul>	<ul style="list-style-type: none"> <li>■ Secondary suites helped to achieve neighbourhood densification</li> <li>■ There were 1,128 permits issued for developing new suites from 2006 to 2013</li> <li>■ There were 248 permits issued for legalizing existing suites from 2006 to 2013</li> <li>■ There were 92 starts and 142 completions in 2013</li> </ul>
Edmonton	<ul style="list-style-type: none"> <li>■ Develop <i>Cornerstones: Edmonton's Plan for Affordable Housing</i></li> <li>■ Create more affordable housing to address rental housing gap</li> <li>■ Respond to an expanding economy</li> </ul>	<ul style="list-style-type: none"> <li>■ As-of-right development in all low-density residential zones and discretionary development in all medium- and high-density areas</li> <li>■ Grant program, with up to \$20,000 to upgrade or create new units</li> </ul>	<ul style="list-style-type: none"> <li>■ Policy changes and Cornerstones program had positive result in creating more secondary suites</li> <li>■ There were 1,714 permits issued between 2008 and spring 2014</li> <li>■ The increase in permits issued was partly attributable to enforcement</li> <li>■ There were 526 grants for secondary suites between 2008 and spring 2013</li> <li>■ Approximately \$12 million in grants were received</li> <li>■ A phased-in approach to implementation was identified as a success factor, as was enforcement of the zoning bylaw and fire code regulations</li> </ul>
Guelph	<ul style="list-style-type: none"> <li>■ Implement policy (in 1995) in response to Bill 120</li> <li>■ Keep policy in place once amendment removed</li> </ul>	<ul style="list-style-type: none"> <li>■ Development in single- and semi-detached dwellings</li> <li>■ One-time fee</li> <li>■ Maximum of two bedrooms</li> </ul>	<ul style="list-style-type: none"> <li>■ There were 239 secondary suites registered in 2013, while keeping costs of implementation at a minimum</li> <li>■ There was a total of 742 registrations of secondary suites from 2009 to 2013</li> <li>■ There were 5 starts and 12 completions in 2013</li> <li>■ Education was an important success factor</li> </ul>

Case study	Policy direction	Highlights of regulations	Key outcomes and success factors
Toronto	<ul style="list-style-type: none"> <li>■ Set up Mayor's Homelessness Action Task Force</li> <li>■ Increase affordable rental housing</li> <li>■ Create diverse neighbourhoods</li> </ul>	<ul style="list-style-type: none"> <li>■ As-of-right development in all residential zones in single- and semi-detached dwellings</li> <li>■ Building must be at least five years old</li> </ul>	<ul style="list-style-type: none"> <li>■ There were 574 permits issued from summer 2000 to 2012</li> <li>■ There were 14 starts and 12 completions in 2013</li> <li>■ Densities were increased in built-up neighbourhoods and more efficient use was made of infrastructure</li> <li>■ Information/education material was a contributor to the success of the program, including promotion of secondary suites by the Landlord's Self-Help Centre</li> </ul>
Moncton	<ul style="list-style-type: none"> <li>■ Provide a housing option for aging population (original aim)</li> <li>■ Increase affordable housing stock and create flexibility in stock</li> </ul>	<ul style="list-style-type: none"> <li>■ Development in single-detached dwellings</li> <li>■ Process requires "change of use" permit</li> </ul>	<ul style="list-style-type: none"> <li>■ Secondary suite policy increased opportunity for more housing options to address aging population</li> <li>■ There were 15 permits issued in 2011 and 2012</li> <li>■ There were 12 starts and 10 completions in 2013</li> <li>■ Wide range of consultations contributed to the success of the policy</li> <li>■ Ensuring that secondary suites remained an 'invisible' housing form was also a success factor</li> <li>■ No additional costs were attributed to policy implementation</li> </ul>
St. John's	<ul style="list-style-type: none"> <li>■ Increase rental housing</li> <li>■ Help meet target of 200 new affordable housing units</li> </ul>	<ul style="list-style-type: none"> <li>■ Development in residential (most), mixed-use and rural zones, in all single-detached dwellings</li> </ul>	<ul style="list-style-type: none"> <li>■ There were 783 permits issued between 2009 and July 2014</li> <li>■ There were 245 starts and 197 completions in 2013</li> <li>■ The policy helped increase affordable rental supply and contributed toward achieving the identified goal of 200 affordable rental homes by 2017</li> </ul>

## CONCLUSIONS

The literature review identified factors that municipalities typically consider when developing policies and regulations related to secondary suites. They include the type of secondary suite to be allowed (that is, attached or detached), owner occupancy, the number of occupants to be permitted, the size of the suite, registration and licensing requirements, and any additional user fees to be charged for houses with secondary suites.

The literature review also found that, while some provinces have legislation that specifically addresses secondary suites and standards included in their provincial building codes, other provinces lack specific policies related to the

development of secondary suites. The literature also identified a number of factors that could be included in senior government policies, which, in turn, will govern the policies and regulations that local governments develop with regard to secondary suites. These include a clear statement of goals concerning secondary suites in communities, regulator authority for local governments, as well as limits to authority.

Some provinces were found to offer incentive programs to further encourage the development of secondary suites. Most of these incentive programs are aimed at increasing the affordable rental housing supply. In addition, there are initiatives aimed at providing new housing options for seniors.

### Success factors

While each secondary suite policy reviewed was unique and had been developed within the context of current political frameworks, under existing provincial and local legislation, and in response to the needs of the community, the following common elements and experiences that emerged in the research may offer guidance or consideration for future directions in secondary suite policy.

#### Provincial support

Provincial support either through provincial policy and/or provincial incentive programs was found to help provide reinforcement for local policies and encourage the creation of secondary suites. The City of Guelph, for example, has had a policy permitting secondary suites since 1995, when the Province of Ontario made changes to the *Planning Act* requiring that secondary suites be permitted as of right. The language included in the provincial policy direction helped to guide the development of the City's local policy and provided a framework for its implementation. As another example of provincial support, the Government of Alberta's contribution to the provision of incentives for secondary suites, through the provincial grant program, is a key success factor in the City of Edmonton's secondary suite program.

Updating regulations such as provincial building codes can also help remove barriers to the creation of secondary suites while still ensuring safety standards are in place. Examples where changes have been made include ceiling height requirements and ventilation requirements (for example, in Guelph, Toronto and Edmonton).

#### Adaptability

Where policies are reviewed and updated to reflect a changing political context and shifting demographics in order to respond best to community needs, this can lead to the updating of zoning regulations to address the provision of secondary suites. The City of Vancouver, for example, made changes in 2009 to help facilitate the development of more secondary suites in new housing developments by changing the requirements for basements.

### Incentives

Incentives were found to have a positive impact on encouraging the development of secondary suites. For example, to facilitate the development of new suites and encourage the upgrading of existing suites without permits, the City of Edmonton launched the Cornerstones I grant program for secondary, garage and garden suites in June 2008. As of June 2014, there have been 526 grants allocated to new and existing secondary suites and 20 grants for garage suites.

### Balance

Secondary suites can be further encouraged where regulations find a balance between creating safe rental housing and maintaining neighbourhood character. In some areas, such as Toronto and Vancouver, secondary suites are increasingly being permitted in a range of areas, including commercial zones, and also in multiple-unit residential properties, such as apartments and condominiums.

### Municipal regulatory support

Secondary suites can be promoted through policies supported by municipal regulations, such as zoning bylaws, and standards, such as property and parking standards. Strategies, either local or provincial, can also help support the development of secondary suites (for example, a housing plan, an affordable housing strategy or an infill/intensification strategy). The City of Moncton's January 2014 Municipal Plan requires that the City's zoning bylaw provide for a variety of secondary uses in neighbourhoods, including accessory apartments. In Toronto, the 1999 Report of the Mayor's Homelessness Action Task Force, *Taking Responsibility for Homelessness: An Action Plan for Toronto*, identified the importance of permitting secondary suites as a way of increasing affordable rental housing and developing diverse neighbourhoods throughout the city.

## Education

Community awareness and education can help create a greater understanding of secondary suites and the objectives of policies/regulations and assist in addressing existing concerns. Resources for residents and landlords are also helpful. One of the key success factors in the City of Moncton, for example, was the wide range of consultations with different stakeholders undertaken when the policy was being developed as well as during the review of the bylaw and Municipal Plan. In the city of Nanaimo, public consultation is also considered to have contributed to the strong residential support for secondary suites.

## Data

A final theme to emerge is the need or desire for more data on the secondary suite market. While more data on secondary suites have been collected in recent times, there are still gaps in data by area and by housing type. Better data will help local municipalities better understand the secondary suite market as an important component of the overall housing continuum.

## Implications for the housing industry

This research project showed that secondary suites can offer many benefits for homeowners, tenants and communities. Case studies show that both regulatory support and incentive programs can be used to encourage the development of secondary suites as a safe and affordable rental housing option. A growing number of municipalities now permit secondary suites and have developed policies and approaches related to these non-conventional housing units that include types of secondary suites to be allowed, size and occupancy of suites, and registration requirements. As communities grow, age and evolve to meet changing needs, the demand for affordable housing is likely to lead to increased interest in secondary suites. Policies, programs and guidelines will be needed to help ensure such housing units are safe and legal, meet local requirements and contribute to community well-being.

## Research Highlight

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Literature Review and Case Studies of Local Jurisdictions that Permit Secondary Suites

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### Housing Research at CMHC

Under Part IX of the *National Housing Act*, the Government of Canada provides funds to CMHC to conduct research into the social, economic and technical aspects of housing and related fields, and to undertake the publishing and distribution of the results of this research.

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