

# Secondary Dwellings Guidebook



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# 1.0 Adding a Secondary Unit

When thinking about adding a secondary unit to an existing house, there are a few things to consider:

- Zoning requirements
- Building Permits
- Building Code
- City of Ottawa inspection during construction

A self-contained secondary unit needs a private kitchen, bathroom, and sleeping area. The unit can be in your house or on your property.

It's recommended that you hire a qualified professional such as a professional engineer, architect or designer registered with the Ontario government. These professionals can help guide you through the building process and help with the Building Code, Bylaws and permits.

When deciding if you should add a secondary unit to your house, the first step is checking if a secondary unit is allowed in your area. Different areas of the City of Ottawa will have different rules on adding a secondary suite. You can check your area by going to <u>geoOttawa</u> and using the "Secondary Suites" Layer.

- 1. Open the layer tab at the top right
- 2. Scroll down to the "Planning" layer
- 3. You will find "Secondary Suites "under the "planning" layer.
- 4. Under the "Secondary Suites," there will be a "Secondary Suites-Eligible Areas" layer.
- 5. Turn on the "Secondary Suites-Eligible Areas" layer. Ensure both the "Secondary Suites" and "Planning" layers are turned on, or the data won't be shown.
- 6. A grey and white hatching will show where secondary dwelling units are allowed.

Another way to find out the zoning is to reach out to a Development Information Officer. They will be able to advise you on zoning regulations that might impact your design, such as setbacks to lot lines, building height and lot coverage. The services of a Development Information Officer can be reached at 613-580-2424 ext. 23434 or <u>dioinquiry@ottawa.ca</u>.

Some areas of the City of Ottawa have exceptions to secondary units. One area is in the former Village of Rockcliffe Park, where secondary dwelling units are not permitted.

Secondary dwelling units are permitted only in the following dwelling types. For definitions of these dwelling types, refer to the definitions under <u>Section 54 of the</u> <u>Zoning By-law</u>:

- Detached dwelling
- Linked-detached dwelling
- Semi-detached dwelling
- Townhouse dwelling
- Duplex dwelling, where such a dwelling existed as of July 17, 2013.



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It's recommended that you hire a qualified professional such as a professional engineer, architect or designer registered with the Ontario government. These professionals can help guide you through the building process and help with the Building Code, Bylaws and permits.

### 2.0 Ottawa Specific Rules

- No more than an amount equal to 40 percent of the gross floor area of the principal dwelling may be developed for a secondary dwelling unit, except where a basement unit is created, in which case there is no maximum size.
- The new unit must have a separate access on the ground floor of a principal dwelling (unless building or fire codes allow for something else).
- The addition of a new secondary dwelling unit must not add a new doorway entrance in the front wall (the wall closest to the front property line). A shared internal lobby or entrance hall is permitted in the front yard's exterior wall.
- The creation of the secondary dwelling unit cannot eliminate the required parking spot for the principal dwelling unit.
- The new unit must be on the same lot as the principal dwelling unit and cannot change the streetscape character along the road.
- Additional parking spots are not required, but where a new one is provided, it cannot be in the front yard. If the unit is located on a corner lot, a new parking spot may be created if it did not contain a driveway prior. Sharing parking in the existing driveway is permitted.
- A maximum of one unit is permitted in a detached dwelling, one in each half of a semi-detached building and only one for the whole of a duplex dwelling.

The entire bylaw can be found in <u>Part 5- Residential Provisions-</u> section 133- Secondary Dwelling Units and on the <u>City of</u> <u>Website for Adding an apartment.</u>

If the property is not located in the exception areas, and the zoning bylaw says you can't have a secondary dwelling, you will need to apply for a Zoning By-law Amendment. This process is also known as rezoning. The whole rezoning process can be found on the <u>City of Ottawa website</u>.

Before starting construction on the new unit, you must get a building permit. To get a building permit, you need to fill out the <u>application form</u>, <u>pay the fee</u>, and have two complete sets of plans that are legible and drawn to a conventional scale.

<u>Submitting the building permit</u> can be done in four different ways:

- Contactless Curbside Drop-off/Pickup
- Electronic Building Permit Application
- Hard Copy Application- courier or mail
- In-Person appointments

For detail on locations and times, visit the <u>City of Ottawa</u> website.

The plans submitted for a building permit must comply with the Building Code. The Building Code has set minimum standards for the construction of secondary units to make them safe and comfortable.



# **3.0** Financial Benefit

The addition of a secondary dwelling may change your property taxes. Property taxes are determined by <u>the Municipal Property</u> <u>Assessment Corporation</u>. Any rent from the secondary unit is considered income and will affect your income taxes. It's important to notify your insurance provider about the plan to add a secondary unit as early as possible. You may need to update your policy for any changes in liability, and the value of your home may change. Financial assistance is available through the Canada Mortgage and Housing Corporation's <u>Homeowner Residential Rehabilitation Assistance Program</u> for certain secondary dwelling units. The cost of remodelling and bringing a basement up to code for a secondary unit can cost \$30,000 to over \$100,000, depending on the level of remodelling and the state of the existing basement or floor. The cost for bringing the unit up to code can include adding:

- Firewall: approximately \$7-\$16 per ft<sup>2</sup>
- Additional egress: approximately \$1,000-\$3,000 depending on if excavation is needed.
- Heating system (with ductwork): approximately \$9,200-\$13,000, possibly more.
- Bathroom: approximately \$3,500-\$28,000 depending on needed piping.
- Kitchen: approximately \$12,000 to \$20,000
- Labour for construction (if a contractor is hired)
- Electrical upgrades (additional wiring may be needed): approximately \$1.56-\$3.75ft<sup>2</sup>
- <u>Building permit fee:</u> Minimum \$100

The <u>Better Homes Ottawa Loan Program</u> can provide a fixedrate, low-interest 20-year loan of \$15,000-\$125,000 (or 10% of the home value, whichever is less) for the addition of home energy improvements such as insulation, windows, heat pumps, and solar panels. The cost to add a secondary suite can be covered for up to a maximum of 30% of the loan value.

### 3.1 Rental Rates

Using <u>GeoOttawa</u>, you can see the median Monthly rent cost for secondary dwelling units from the Ottawa Neighborhood Study. You can also see areas where secondary suites are eligible. To find the layer:

- 1. Open the layer tab at the top right.
- 2. Scroll down to the "Planning" layer.
- 3. You will find "Secondary Suites " under the "Planning" layer.

- 4. Under "Secondary Suites" will be "Secondary Suites-Eligible Areas" and "Ottawa Neighborhood Study-2016 Median Monthly Rent Cost."
- 5. Click on the layer/s you want to be shown. Ensure the "Secondary Suites" and "Planning" layers are turned, or the data won't be shown.
- 6. To see what the different colours mean, open the legend tab beside the layers tab at the top.

Note: Currently, the rental data on GeoOttawa is from 2016; new rental data will be added later this year.





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Using GeoOttawa, you can see the median Monthly rent cost for secondary dwelling units from the Ottawa Neighborhood Study.

The rent price for units has been increasing over the years in Ottawa. The average rental price for Ottawa from Statistics Canada for row structures of three units and over can be seen in figure 1. In 2021 the average monthly price for a one-bedroom unit was \$1,177, a two-bedroom unit was \$1,503, and a three-bedroom unit was \$1,726. [1]



Figure 1 Average Monthly Rental Price in Ottawa for Row Structures of Three-Unit and Over [1]

### 3.2 Payback Calculation

The cost of adding a secondary rental suite can vary depending on the remodeling level and the state of the existing building. An expected cost range for the addition is \$30,000-\$100,000. The <u>average monthly rental price</u> for a two-bedroom unit in 2021 was \$1,550. Taking \$100,000 as the cost of adding the second suite and the rental price of \$1,503, the simple payback period is 5.54 years, see figure 2. Rental prices are constantly increasing so the payback period would likely be shorter. This simple calculation does not factor in operational or maintenance costs that might occur while renting. Once the unit's initial cost is paid off, the monthly rental income will be profit.



Figure 2 Payback Period for \$100,000 Secondary suite add-on, with a monthly rent of \$1,503

To find your simple payback period in years, you can use the equation: Payback(years) =  $\left(\frac{\text{Inital cost of the secondary suite}}{\text{Monthly rental price}}\right) / 12$ 

# 4.0 Reducing Energy and Emissions

While work is being done to add a secondary suite, it is advisable to improve the homes' energy efficiency before adding occupants. The 5 five steps to a greener home are:

#### 1. The Building Envelope

The best place to start upgrading the house is with the building envelope. The building envelope consists of the outside walls, windows, doors, roof, foundation, and insulation. If any exterior walls/foundations are exposed or added during the renovation of the secondary suite, it would be the best time to add more insulation to the walls. If windows need to be replaced or added to the suite, consider adding triple glazed windows as the replacement. A tight building envelope will increase the building energy efficiency, reduce heating and cooling costs, and improve the comfort of the home.

#### 2. Heating and cooling

After upgrading the building envelope heating and cooling system are next to look at. Improving the building envelope reduces the home's heating and cooling loads, allowing for a smaller HVAC system. Consider installing a cold climate heat pump if a new system is needed for the secondary suite or upgrading the existing one. Heat pumps can provide heating and cooling and are eligible under the Better Home loan program.

#### 3. Renewables

The next step is adding onsite renewables like solar panels, geothermal and a battery backup. Solar panels can generate a clean source and power and, paired with batteries, can be a backup power supply in the case of power outages. Geothermal power is also possible for Ottawa residents. Geothermal can provide heating, cooling and hot water to the home.

#### 4. The little things

After the three main steps, installing smart energy-saving technology can make your home run more efficiently. A smart thermostat learns when the home is occupied and can adjust the heating and cooling levels if no one is home, saving money and energy. Switching old incandescent lights to more LED light bulbs saves a lot of power.

#### 5. Next-level Resilience

The next step after improving the home's energy efficiency is improving the home's resilience to climate change. Poor water management can cause flooding and other issues in a home. Adding a backwater value, sump pits or flood alarms will minimize the risk. You can also minimize risk by implementing stormwater measures like permeable pavement and rain gardens. To learn more about stormwater management measures, visit <u>Rain Ready</u> <u>Ottawa</u>. Installing a cool roof will help reduce the heat island effect in the city and the amount of cooling needed in your home. A cool roof is a light-coloured roof that reflects the sun's rays away from your home. One of the best options for resilience is green roofs. Green roofs help with both stormwater management and the heat island effect. They also help keep your house warm in the winter, cool in the summer, and support cleaner air guality.

For more in-depth information on each step, visit the <u>Better</u> <u>Homes Ottawa website</u> and <u>Better Homes Ottawa Loan</u> <u>Program</u> for information on low-interest loans for adding home energy improvements and rental suites (up to 30% of the loan's value).



# **5.0** Short Term and Long Rentals

The City of Ottawa's new Short-Term Rental By-Law (By-Law 2021-104) went into effect on April 1, 2022. Under the new <u>Short-Term Rental By-Law</u> renting out your principal residence or part of your residential unit for less than thirty consecutive nights will require a permit. There are two different types of permits, one is for units in the City, and one is for rural homeowners or cottage owners. Both permits cost \$110 for two years. The properties can only be listed on platforms registered with the City of Ottawa. To apply for the permits, please call 613-580-2424 ext: 12735 or email <u>str\_lcd@ottawa.ca</u>. The Business Licensing Centre offers in-person appointments at 735 Industrial Avenue by appointment only. For the complete set of rules and regulations, please visit the City of Ottawa <u>Short-Term Rental By-Law</u> page and the new Short-Term Rental By-Law (By-Law 2021-104). [2]

For longer-term rental rules, please visit the <u>Rental housing property</u> <u>management by-law (By-law no.2020-255)</u>



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### 6.0 Building Code

Depending on the age of your house, different rules apply. If your house is more than five years old, it is classified as an existing house in the Building Code. An existing building has more flexibility under the Building Code. If your house is less than five years, it is considered a new building. A new building has more restrictions, and new construction needs to meet the Building Code. [3]

The location of the secondary unit can be in any part of the house. It can be on one floor or on multiple levels. The most common area for a secondary unit is in the attic or basement. The location of the secondary unit affects the rules that apply.

### 6.1 Ceiling Heights

There are required minimum ceiling heights for rooms. The height requirements differ between the basement and attic. This also includes the path inside leading to the exit.

- In a secondary basement unit, the minimum required ceiling height is 1.95m (6' 4<sup>3</sup>/<sub>4</sub>") over the entire required floor area. [3]
- In a secondary attic unit that likely has sloped ceilings. At least 50% of the floor area needs to have a ceiling height of 2.03m (6'8"), and 50% of the floor area may have a ceiling height between 2.03m (6'8") and 1.4m (4'7"). Spaces with a ceiling height of 1.4m (4'7") or less don't count toward the total floor area. [3]





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An existing building has more flexibility under the Building Code. If your house is less than five years, it is considered a new building.

Figure 3 Secondary Unit Ceiling Height, Ontario Building Code Div B, Table 11.5.1.1.C, Compliance Alternative 102 [3]

Figure 3- Original diagram obtained from the Government of Ontario

### 6.2 Room Sizes and Floor Area

The Ontario Building code has set the minimum room sizes for dwelling units. The general minimum size for a room is shown in the table below:

Room/Space	Minimum Required Floor Area
Living area	13.5m² (145ft²)
Dining area	7m² (75ft²)
Kitchen	4.2m <sup>2</sup> (45.2ft <sup>2</sup> )
Combined living, dining, and kitchen areas in a one-bedroom unit	11m² (118.4ft²)
Master bedroom (without built-in closet)	9.8m² (95ft²)
Other bedrooms (without built-in closets)	7m² (75ft²)
Bathroom	Sufficient space for a sink, toilet and shower stall or bath
Combined sleeping, living, and dining areas and kitchen space	13.5m² (145ft²)

Table 1 Ontario Building Code- Division B, Subsections 9.5.4 to 9.5.9 [4]

#### 6.3 Windows

Windows in a secondary unit are required. The size of the windows is based on the size of the secondary unit's floor area. The larger the unit is, the larger the window needs to be. Some windows can also be used as an emergency exit; refer to exits on page 13.

The minimum size of the window not defined as an exit is shown in the table below:

Room/Space	Minimum Required Floor Area
Living and dining rooms	5% of the floor area
Bedrooms	2.5% of the floor area
Laundry room, kitchen, bathroom	Windows not required

Table 2 Ontario Building Code- Division B, Article 9.7.2.3 as modified by Table 11.5.1.1.C [4]

### 6.4 Plumbing

A secondary unit will have to meet the building codes' plumbing requirements. The minimum that you need in a secondary unit:

- Hot and cold-water supply
- A sink, bathtub or shower, toilet, or a drainless composting toilet in the bathroom
- A kitchen sink
- Access to laundry facilities. The laundry facility can either be in the secondary unit or a shared laundry room.

The installed plumbing needs to be done by a qualified plumber. The secondary unit/s need to have their own water-shut-off valves to allow for repairs without affecting others' water supply<sup>2</sup>. If the house is in an area prone to flooding or sewer backup, a backwater valve may need to be installed.<sup>3</sup> [3]

# **6.5** Electrical Facilities and Lighting

The building code has requirements to make sure there is adequate lighting in secondary units:

- A light and switch in every room/space in the secondary unit [3]
- A switch located at the top and bottom of the stairs<sup>4</sup> [3]

Before installing electrical equipment, a separate electrical permit will need to be obtained. During the work, Ontario's Electrical Safety Authority (ESA) will inspect the electrical work. For more information on the inspection permit, you can contact the ESA at 1-877-372-7233) or <u>esasafe.com</u>.

### 6.6 Septic System

The secondary unit can be on the same septic system if it has the capacity for the increase in sewage. If not, the septic system will need to be upgraded to meet the new increased load.<sup>5</sup> [3]

### 6.7 Heating and Ventilation

A secondary unit can be on the same furnace and air duct system as the primary unit if special smoke detectors are installed in the main supply or return duct for fire safety. When activated, the smoke detectors will turn off the fuel supply and electricity, shutting down the furnace and stopping the spread of smoke. The duct-type smoke detectors need to meet UL 268A performance standards. Ventilation is required in the bathroom and kitchen. The ventilation can be from an exhaust fan or a window that opens to the outside.<sup>7</sup> [3] While it's not required to have a secondary furnace and air ducts for the secondary unit, having a shared HVAC can spread cooking smells, recreational smoke, and other odors from the other units. Sounds can also travel through the shared air system. A separate HVAC system will allow both units to have separate temperature control. [3]

### 6.8 Fire Safety

Between the primary unit and secondary unit, fire separation is required. A fire separation is a physical barrier to slow fire spread from one unit to another. The fire separation needs to be continuous and includes protected openings. The building code requires a 30-minute fire separation between units and common areas. If your home's renovation to add a secondary unit requires the alteration of an existing floor or ceiling, it's required to make the floor or ceiling have a fire separation of 30 minutes. The fire separation can be reduced to 15 minutes if the entire house is interconnected with smoke alarms. [3]

A fire separation can be a floor, wall, door with a self-closing device, or a combination. Typical buildings material like lumber and drywall can achieve the needed fire separation. A wall assembly made using  $38 \text{mm} \times 89 \text{mm} (2^{"} \times 4^{"})$  wood studs, 13 mm (1/2") thick drywall on both sides, and fiber-type insulation between the studs will achieve the required 30 minutes fire separation. [3]

When designing the wall or ceilings for the fire rating, another essential thing to consider is noise and vibration travelling between units. Adding extra noise protection to the walls, floors, and ceilings would be beneficial. There are different soundproofing methods, but it can be as simple as adding more insulation or an extra layer of drywall. [3]

### 6.9 Smoke Alarms

The secondary unit will need smoke alarms that meet the CAN/ ULC S531 performance standard. There will be a label on the smoke alarms that will indicate if it meets the standard. The alarms need to have a flashing light when they are active. [3]

The placement of the smoke alarms is important<sup>9</sup>. They must be [3]:

- On every level of the house
- Outside of the sleeping area (depending on the floor layout, it can be the same alarm needed for each level)
- In each bedroom in the secondary unit
- In the house's common area, such as entrances and laundry rooms.

9 Ontario Building Code Div. B 9.10.19

<sup>1</sup> Ontario Building Code Div. B 9.31.4.1 to 9.31.4.3

<sup>2</sup> Ontario Building Code Div. B 7.6.1.4(1) and 7.6.1.6(1)

<sup>3</sup> Ontario Building Code Div. B 7.4.6.4

<sup>4</sup> Ontario Building Code Div. B 9.34.2.2 and 9.34.2.3

<sup>5</sup> Ontario Building Code Div. B 11.4.2.5 (4)

<sup>6</sup> Ontario Building Code Div. B Table 11.5.1.1.C

<sup>7</sup> Ontario Building Code Div. B 9.32.1.2 modified by table 11.5.1.1.C, Compliance Alternative 194

<sup>8</sup> Ontario Building Code Div. B Table 11.5.1.1.C, Compliance Alternatives 147,152 and 153

### 6.10 Carbon Monoxide Alarms

As well as smoke alarms, carbon monoxide alarms may be required to be installed. Carbon Monoxide alarms are required if the house has a furnace that uses natural gas, propane, or similar fuels. They are also required if the house has an attached garage. They must be located<sup>10</sup> [3]:

- Near bedroom and sleeping area in the secondary unit.
- In the furnace room if it's in a separate space from residential units.

### 6.11 Exits

Secondary units need a safe exit. Depending on the location of the secondary unit, different rules apply for exits. Having a separate exit for the secondary unit is the best. If that's not possible, then:

- A common exit for both units in your house is allowed if the exit area has a 30-minute fire separation and smoke alarms interconnected to both units. [3]
- When the exit from one unit goes through another unit, a second escape option through a window is needed. [3]
- The window used as a second escape path must be large enough for a person to get through and easy to open without the use of tools. [3]
- Depending on the window's location, whether they are in the basement or upper floor. The window will need different sizing
  and open space requirements<sup>11</sup>. Please refer to Figure 4 and Figure 5.

10 Ontario Building Code Div. B 9.33.4.1 and 9.33.4.2 as modified by table 11.5.1.1C Compliance Alternative 197

11 Ontario Building Code Div. B, Table 11.5.1.1.C, Compliance Alternative 136



Figure 5 Exit window requirements for basements [3]

Ground floor or basement escape window

Note: Sill height no more than 1,000 mm (3' 3") above or below adjacent ground level.

Figure 4 Exit window requirements [3]

## 7.0 Building Inspections

The <u>building permit</u> will identify the Building Inspector's name and phone number. To ensure that the work meets the building code, different stages of the construction will need to be inspected. The permits and specifications must be on-site and available for the Building Inspector while on site. The responsibility for booking the Building Inspector falls on the permit holder or contractor. To ensure that the building inspector is available, you should book at least 48 hours in advance.

When booking an inspector, you will need the following information:

- Your name
- Return phone number
- Address of the construction project
- Permit number
- Inspection required
- Date the inspection must be provided to ensure there are no delays

The stages that need to be inspected during the construction will be listed on the Notice to the Permit Holder. The Notice to Permit Holder is issued when the building permit is issued. Some stages that may apply to your project:

- Foundation
- Framing and Mechanical Rough-in
- Pluming
- Final inspection

In addition to the City of Ottawa, other agencies may be involved in inspecting during construction. For a list of possible stages with descriptions and other agencies, visit the <u>City of Ottawa's website</u>.

Failure to have an inspection done at the correct time will result in having to uncover and expose the work needed for inspection.



### References

[1] - G. o. C. Statistics, "Table 34-10-0133-01 Canada Mortgage and Housing Corporation, average rents for area with a population of 10,000 and over," 1 June 2022. [Online]. Available: <u>https://www150.statcan.gc.ca/t1/tbl1/</u> en/tv.action?pid=3410013301&pickMembers%5B0%5D=1.106&pickMembers%5B1%5D=3.2&cubeTimeFrame. startYear=2017&cubeTimeFrame.endYear=2021&referencePeriods=20170101%2C20210101. [Accessed 1 June 2022].

[2] - C. o. Ottawa, "Short-term rentals," 2022. [Online]. Available: <u>https://ottawa.ca/en/business/permits-and-licenses/short-term-rentals#short-term-rental-law</u>. [Accessed 2 June 2022].

[3] - M. o. M. A. a. Housing, "Ontario," 24 September 2019. [Online]. Available: <u>https://files.ontario.ca/mmah-adding-a-second-unit-in-an-existing-house-en\_0.pdf</u>. [Accessed 6 April 2022].

[4]- O. Government, "Ontario Building Code," 16 March 2022. [Online]. Available: <u>https://www.ontario.ca/laws/regulation/120332</u>. [Accessed 2 June 2022].

