

Basement Apartments : A Tale of Two Cities



By Brian Madigan LL.B.

There is **\$25,000** available for basement apartments in two different cities.

In **Calgary**, it's in the form of a **grant**, and in **Brampton**, it's in the form of a **fine**.

So, whether the municipality pays you, or you pay the municipality, really depends upon where you live.

Calgary is booming and there is a shortage of reasonably priced accommodation available. So, the City will provide a homeowner with a grant of up to \$25,000 in order to convert their basement and provide rental accommodation. No, you can't just fix up your basement and put in a media room. However, now that I think about it; it is Alberta, and that could be next.

Brampton has a slightly different focus. There are already too many basement apartments. Brampton was hit hard in 1994 when the Bob Rae NDP government legalized all basement apartments in Ontario. There were a lot of large new houses built in Brampton just before the recession. During the recession, many homeowners rented out parts of their homes just to pay the mortgage. Brampton is expected to double in size to 750,000 people over the next 25 years. The existing infrastructure will not support the type of intensification necessary. So, basically one family per single family housing unit is the current planning model. The basement apartment issue in Brampton is already out of control. There is little subsidized or social housing available. The vacancy rates are one-third less than Toronto.

Consequently, Brampton has stepped up its enforcement to ensure that there are no new basement apartments.

If you want to **create a new unit** now, you must:

- 1) apply to amend the zoning,
- 2) pay a \$7,759 fee to the City for processing,
- 3) give notice to all residents within 800 meters,
- 4) attend a public meeting.

Basically, it's not easy. The City doesn't want them, and the last homeowner convicted by the Courts for infringing the by-law was assessed a \$25,000 fine. That's a \$50,000 difference between Brampton and Calgary. And, remember they have lower municipal taxes and no provincial sales tax. Maybe you could rent it out just for a month and then convert it to a media room. After all, it is Alberta

and there's no harm in asking. Besides, in Dubai, everyone has a media room!

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