



Municipality of the District of Shelburne
Report to Municipal Council
Agenda Item

Subject: Planning Staff Recommendation for First Reading Regarding amendments for inclusionary zoning

From: Brighter Community Planning and Consulting

Date: April 22nd, 2026

The following recommendations for First Reading to Council are being forwarded from Planning Staff for further discussion and action:

THAT Council give First Reading to the proposed amendments to the Municipal Planning Strategy and Land Use By-law to establish affordable housing bonusing within the Suburban Designation, and direct staff to schedule a Public Hearing

The purpose of this report is to present Council's first reading proposed amendments to the Municipal Planning Strategy and Land Use By-law to establish a clearer framework for affordable housing bonusing within the Suburban Designation. The Municipality is participating in the Housing Accelerator Fund and continues to review planning tools that can support new housing, including housing that remains affordable over time. The current Municipal Planning Strategy already supports bonusing for housing developments that include an affordable housing component, but the existing framework does not clearly set out how bonusing should work in practice within the Suburban Designation. These amendments address that gap by adding clearer policy direction.

The proposed amendments will allow Council to consider affordable housing projects by Development Agreement within the Suburban Designation where municipal water and sewer services are available. To qualify, a development must provide at least 20% affordable units, and a community housing organization or non-profit housing provider must own or operate those units for affordable housing purposes. The affordable units must remain secured for a minimum of 20 years.

The amendments would also identify the forms of bonusing Council may consider through a Development Agreement, including a modest parking reduction, one additional storey for municipally serviced developments, increased hard surfacing, and a reduction or waiver of amenity space requirements where appropriate. To support that framework, the Land Use By-law amendments would add a definition of bonusing, add affordable housing inside the Suburban Designation as a use that Council may consider by Development Agreement, and reduce the base maximum building height in the Residential and Suburban Commercial Zones from five storeys to four storeys, with the fifth storey available only through bonusing.



From a planning perspective, these amendments create a voluntary bonusing framework that fits the Municipality's rural and suburban context. They support affordable housing without imposing a mandatory inclusionary zoning model that may discourage development in a smaller market. They also give Council a more predictable tool to evaluate proposals while maintaining site-specific review through the Development Agreement process. This approach allows the Municipality to consider building form, amenity space, parking, buffering, and servicing together as part of a single application review. Staff's broader review found that bonus zoning has seen more practical uptake in Nova Scotia municipalities than mandatory inclusionary zoning, particularly outside larger urban markets.

A public information meeting took place on March 3, 2026, and no residents attended. Staff recommend that Council give first reading to the proposed amendments and schedule a Public Hearing in accordance with the Municipal Government Act.



Staff Report: Inclusionary & Bonus Density Zoning

April 22nd, 2026

1. Background

The Municipality of the District of Shelburne (MODS) is participating in the Housing Accelerator Fund (HAF) and implementing policies and incentives to encourage more housing. This Staff Report examines the potential for Inclusionary and Bonus Density Zoning as mechanisms to encourage affordable housing development.

2. Inclusionary Zoning Regulatory Framework

Municipal Government Act

The Municipal Government Act enables municipalities to implement inclusionary zoning and density bonusing through their planning frameworks. It allows policies that require or incentivize affordable housing within new developments, permits flexibility in development standards in exchange for public benefits, and allows cash-in-lieu contributions where enabled through the Municipal Planning Strategy tied to affordable housing.

See Appendix A for Reference Policies

MGA - Minimum Planning Requirements Regulations

The Minimum Planning Requirements under the Municipal Government Act allow a Municipal Planning Strategy to include policies respecting the use and administration of incentive or bonus zoning, providing municipalities with the option to establish a framework for exchanging additional development flexibility for public benefits, such as affordable housing.

Statements of Provincial Interest

The Statement of Provincial Interest on Housing requires that planning documents include policies addressing affordable housing, special-needs housing, and rental accommodation, including consideration of local need, supply, and appropriate responses, while allowing municipalities to define these terms based on their local context.

MODS Municipal Planning Strategy

The Municipality of Shelburne is prioritizing affordable rental housing to support economic development and retain younger residents. Council encourages housing that is affordable, mixed-use, and located near community services and transportation routes to promote walkable and connected communities.

Affordable housing projects may be considered outside the Suburban Designation through a Development Agreement process, provided they are primarily affordable, operated by a non-profit or community housing provider, appropriately serviced, and supported by a detailed site and financial plan. Buildings under this policy are limited in height and must demonstrate compatibility with



surrounding uses. Council also permits density bonusing where affordable units are secured for a minimum of 20 years and intends to explore land banking to support future affordable housing projects.

Multi-unit housing is currently permitted in the Rural Development, Residential, and Suburban Commercial zones, with varying limits on unit count and building height depending on servicing and location, however, there is no defined “bonus” for providing affordable units.

See Appendix B for Reference Policies

MODS Land Use By-law

In the Residential (RES) Zone, multi-unit or grouped dwellings exceeding 10 units, or buildings that include commercial space, require Site Plan Approval. Larger developments must demonstrate adequate water and wastewater servicing, provide buffering from nearby low-density homes, and include on-site amenity space unless located near a public recreation facility. Buildings may reach up to five storeys or 60 feet in height. Hard surfacing is limited to 50% of the lot area, and any commercial uses must be small-scale and primarily serve local residents.

In the Suburban Commercial (SC) Zone, mixed-use buildings are permitted by Site Plan Approval. Ground floors facing the street must be commercial, with residential units permitted above or behind. Buildings may be up to five storeys or 60 feet in height. Developments must provide indoor or outdoor amenity space, including private or semi-private outdoor space for buildings with more than 10 units, along with landscaping and pedestrian connections.

See Appendix C For Reference Policies

3. Local Municipal Approaches

In a review of municipalities across Nova Scotia, the following have added or are proposing inclusionary zoning and/or bonus density provisions to their policies to encourage housing development.

Town of Bridgewater

Bridgewater’s Municipal Planning Strategy recognizes that, while the Town does not directly build affordable housing, it can support affordability by enabling a broader range of housing types and offering planning incentives.

In higher density zones, the Town permits up to a 20% increase in residential density where all additional units created through the bonus meet the Town’s definition of affordable housing. This bonus may be applied to developments approved as-of-right, through site plan approval, or by development agreement, depending on the requirements of the zone.

Bridgewater’s “Affordable Housing” is defined as housing that costs less than 30% of a household’s before-tax income, or as defined by CMHC or the Province of Nova Scotia. Where a development agreement is used, the affordable units must be secured through a housing or financing agreement to ensure they remain affordable over time.

West Hants Regional Municipality



WHRM is proposing updates to its planning documents to introduce density bonusing as a way to support affordable housing. The draft Municipal Planning Strategy and Land Use By-law would allow increases in height, density, and lot coverage in the R-2 and R-3 zones where developments include affordable housing units.

Municipality of the County of Kings

Kings County is proposing to introduce density bonusing and inclusionary zoning through its Municipal Planning Strategy update. This would allow the Municipality to secure public benefits or cash-in-lieu contributions where additional height or density is requested, and incentivize affordable housing units as part of new residential developments.

Municipality of East Hants

East Hants is preparing for its 2026 Plan Review and has identified housing affordability as a key focus. As part of this work, the Municipality is considering density bonusing and inclusionary zoning, including policies that could allow additional height or units where developments include government-supported affordable housing.

Halifax Regional Municipality

HRM uses bonus zoning in higher density and centre areas, requiring larger developments to provide public contributions, including cash-in-lieu for affordable housing. The Municipality is also exploring inclusionary zoning for future implementation, recognizing that as development opportunities in the urban core become more limited, new developments may be expected to contribute more directly to affordable housing supply.

See Appendix D for Reference Policies

4. Inclusionary and Bonus Zoning

Incentive or bonus zoning is a planning tool under the Municipal Government Act. It allows the Municipality to permit a developer to exceed certain requirements in exchange for providing public benefits.

Public benefits may include affordable housing, heritage conservation, public art, park acquisition and improvements, community indoor spaces, and such other public benefits that may be set out in the Land Use By-law. The Land Use By-law set out the specific public benefits and identifies where the Municipality may accept money-in-lieu.

Cash-in-lieu is a tool enabled under the Municipal Government Act that allows municipalities to accept a monetary contribution in place of providing affordable housing units within a development, where this approach is established in the Municipal Planning Strategy. This tool provides flexibility in situations where on-site affordable housing may not be feasible, while still securing a contribution toward local housing needs.

Inclusionary Zoning Practices

Inclusionary zoning may be a type of incentive zoning where the primary public benefit is the creation of affordable housing units.

Inclusionary zoning practices fall into three categories; mandatory, rezoning-based and incentive based (voluntary):



- **Mandatory:** All developments must provide affordable housing as part of their approval. This can be done by building affordable units, paying cash instead, or setting aside land.
- **Rezoning-based:** Affordable housing is required only when a developer asks for extra density through rezoning. The developer can either build under current zoning rules with no affordability requirement, or request more density and agree to provide affordable units.
- **Incentive-based (Voluntary):** The municipality offers benefits—such as extra density or reduced requirements—to encourage affordable housing. Developers choose whether or not to participate.

An inclusionary zoning program may include incentives, compliance alternatives, and/or cost offsets; including allowing additional development benefits (units, lot coverage, height, etc.) in exchange for affordable housing, payment of cash-in-lieu, regulatory relaxations (e.g., density, height, setback, parking and other limits).

Examples of inclusionary zoning provisions that might be applied to the MODS context, given the existing planning policies include:

- Reduction in parking requirements
- Increase in the allowable lot coverage percentage
- Increase in the permitted development height
- A reduction in amenity space requirements
- Payment of cash-in-lieu as an alternative to constructing affordable units

NS Context

Within the Nova Scotia context, while mandatory inclusionary zoning was enabled by provincial legislation in 2021, it is not widely implemented. Bonus zoning, however, is in use or in process in multiple municipalities and appears to be a tool that is more appropriate in the rural Nova Scotia context.

Kings County, East Hants and West Hants are planning for implementation of some kind of inclusionary or bonus zoning. These municipalities are considering adding inclusionary or bonus zoning in growth centres, medium and high density zones. Municipalities report that additional time is required to research the housing market in growth centres, determine if mandatory or voluntary programs will be pursued, to collect the housing market and financial information required to design an effective program, and to build the administrative capacity to facilitate and inclusionary zoning program.

HRM has implemented bonus zoning in high density and centre designations that requires developments over 2,000m² to contribute 20% of floor area over 200m² to be public contribution (combination of cash-in-lieu for affordable housing and other public benefits).

The Town of Bridgewater has implemented a voluntary bonus density policy that allows for a 20% bonus density, provided the additional units meet the Town's definition of affordable housing. The policy applies to medium and high density zones.

Inclusionary Zoning Challenges

There are administrative considerations as ongoing staff oversight is required to ensure that inclusionary zoning rules are followed and that affordable housing units remain affordable in the long

term. Some municipalities are considering applying bonus density only to projects that are receiving Federal and/or Provincial affordable housing funding, or are operated by a non-profit organization, where the administration of the affordable housing units is completed by the funding partner.

In areas that are not experiencing high development demand, mandatory inclusionary zoning can reduce the number of housing units being constructed.

Policy complexity also matters. Developers need clear and predictable rules. Overly complex tools can create confusion and discourage investment. The Bridgewater bonus policies are straightforward and easy to understand, whereas the HRM bonus zoning policies are complex and detailed, as required in a large market with a wide range of developments and communities.

5. Inclusionary or Bonus Zoning Considerations and Recommendations

Before implementing an inclusionary or bonus zoning policy, Council should consider the following:

- Geographic coverage: where would the new zoning apply? Only to Municipal serviced areas?
- Evaluation criteria: what types of development benefits should be offered in exchange for affordable housing and what value should be assigned to the benefits?
- What considerations and calculations will be used for cash-in-lieu?
- Public participation: should proposed changes be presented to the public and stakeholders for input?
- Competitiveness in regional market: can policies be designed that do not impact MODS desirability for housing development?
- Complexity of policy: how simple or complex do the policy tools need to be to achieve the desired outcome?
- Long term affordability: how will the municipality ensure that affordable housing units remain affordable in the long term?
- How will the municipality define affordability?
- Administration of Cash-in-lieu: how will funds received as cash-in-lieu be directed?
- What policies will be amended?

Geographic Coverage

Considerations: appropriate areas for larger developments, water and sewer servicing. With the limited servicing options and existing mechanism for affordable housing outside the suburban designation by DA (3.5.3 MPS), no changes are recommended for the rural designation area. Within the suburban designation, the most appropriate area is within water and sewer service boundaries.

Recommendation: inclusionary or bonus zoning is most appropriate in the Suburban Designation, specifically in the Suburban Residential and Suburban Commercial Zones, in areas with water and sewer servicing.

Evaluation Criteria

Considerations: what types of development benefits should be offered in exchange for affordable housing and what value should be assigned to the benefits? What considerations and calculations will be used for cash-in-lieu? By design, the existing MODS policies do not include density limits (maximum number of units), so the tools for implementing inclusionary or bonus zoning are parking, building height and lot coverage percentage.



Recommendation: apply the policy to multi unit or grouped dwellings with greater than 6 units. Consider what is the maximum height appropriate for the RES & SC zones and whether an additional story could be offered as an affordable housing bonus, or whether the as-of right height should be lowered to allow up to 5 stories through bonusing. Refer the calculation of cash-in-lieu amounts to the finance department.

Public Participation

Consideration: Should proposed changes be presented to the public and stakeholders for input?

Recommendation: Yes, refer the proposed policy amendment an opportunity for public feedback.

Per the Public Participation Policy Section 7.1 *Plan Amendments – Public Participation*, amendments to the Municipal Planning Strategy that involve a change in policy or land use designation, a Public Participation Program is required and shall provide at least one opportunity for public feedback prior to Council First Reading, in addition to the Public Hearing.

Competitiveness in the Regional Market

Consideration: can policies be designed that do not impact MODS desirability for housing development?

Recommendation: consider voluntary bonus zoning rather than mandatory inclusionary zoning.

Complexity of Policy

Consideration: how simple or complex do the policy tools need to be to achieve the desired outcome?

Recommendation: utilize bonus zoning with clear parameters to keep policy initiatives straightforward.

Long Term Affordability

Consideration: how will the municipality ensure affordable housing units remain affordable in the long term?

Recommendation: refer to Administration to determine internal process. Consider applying bonusing to projects that are receiving Federal or Provincial affordable housing funding and/or are operated by a not-for-profit affordable housing provider, as the administration of affordability will be managed by the funding agency.

Define Affordability

Recommendations: the proposed definition is Affordability defined as 20% below market as determined by the Municipality using provincial and federal housing market data.

Administration of Cash-in-lieu

Recommendation: the Municipality has an affordable housing grant fund. Any cash-in-lieu contributions will be administered through this fund. Staff recommend to move forward with the proposed amendments at this time, with the understanding that a cash-in-lieu framework can be developed and implemented in the future once the necessary administrative processes and structure are in place.

What Policies will be Amended?



Bonusing is included in the MPS, inclusionary zoning is not. If Council chooses to pursue inclusionary zoning, an MPS amendment will be required. If Council chooses to proceed with bonusing only, the enabling policy already exists in the MPS and only LUB amendments are required.

6. Proposed Amendments

The proposed amendments introduce a framework to support affordable housing through density bonusing and Development Agreements within the Suburban Designation.

Council may consider developments that include a minimum of 20% affordable units, operated by a non-profit or community housing provider, and at minimum be secured over a 20 year term. In exchange, additional development flexibility such as increased height and lot coverage or reduced parking and reduced amenity space may be permitted improve project viability.

The Land Use By-law amendments establish a definition of bonusing, enable developments through Development Agreement, and reduce base zoning permissions so that additional height is available where affordable housing is provided.

A public information meeting was held on March 3rd for the public to provide any comments or concerns on the amendments. No residents attended the meeting.

7. Options:

Option 1: Proceed with Proposed Amendments (Staff Recommendation)

Adopt the proposed amendments to implement voluntary density bonusing for affordable housing, with cash-in-lieu to be developed at a later date.

Option 2: Defer the Amendments

Delay consideration of the amendments to allow for further analysis, including development of a cash-in-lieu framework or additional policy review.

Option 3: Direct Staff to Explore Alternative Approaches

Request additional information on inclusionary zoning, mandatory requirements, or alternative incentive structures prior to proceeding.

8. Proposed Motion

That Council give First Reading to the proposed amendments to the Municipal Planning Strategy and Land Use By-law to implement density bonusing provisions for affordable housing within the Suburban Designation, and schedule a Public Hearing in accordance with the Municipal Government Act.





Appendix A: Municipal Government Act & Statements of Provincial Interest

Municipal Government Act

Several sections of the Municipal Government Act (MGA) create enabling legislation for inclusionary and bonus density zoning.

- Section 49: power to make policies
- Section 57: business and industrial development (enabling grants for affordable housing)
- Section 19: interpretation. (g) *“incentive or bonus zoning” means requirements that permit the relaxation of certain requirements if an applicant exceeds other requirements or undertakes other action, in the public interest, as specified in the requirements;*
- Section 220: content of land-use by-law. (5)(ja) require and regulate the provision of affordable housing within developments, including requiring that a specified percent age of affordable housing units be provided within a development; and (k) provide for incentive or bonus zoning.
- Section 223A: affordable housing cash-in-lieu. Where provided for in a municipal planning strategy, council may accept money instead of all or part of any required provision of affordable housing.

Minimum Planning Regulations

Section 6: A municipal planning strategy may include statements of policy on the use, content, development, and administration of the following: (e) incentive or bonus zoning;

Statements of Provincial Interest

Statement of provincial interest regarding housing – Provision 1: Planning documents must include housing policies addressing affordable housing, special-needs housing and rental accommodation. This includes assessing the need and supply of these housing types and developing solutions appropriate to the planning area. The definition of the terms affordable housing, special-needs housing and rental housing is left to the individual municipality to define in the context of its individual situation.



Appendix B: Shelburne Municipal Planning Strategy Enabling Policy

Household & Housing Projections	<p>To address the challenges of housing affordability, the municipality is interested in policy measures to reduce development costs and encourage the development of more affordable housing.</p> <p>Creating more affordable rental units matters to retain the younger working population to further support the municipality's initiatives on economic development.</p>
3.5.1 Promoting Housing	<p>Affordable housing projects are encouraged to located near community services and transportation routes where walking to local services is possible</p> <p>It is the policy of Council to promote housing that aligns with the following: Affordable: The pressing need for affordable housing is a challenge that affects many residents. By supporting affordable housing initiatives, we can ensure that people of all income levels have access to safe and stable housing options; Mixed Use: Mixed use housing construction promotes more sustainable, connected, and vibrant communities by integrating living spaces with essential services and community activities. It enhances the quality of life for residents while contributing to economic growth and environmental sustainability.</p>
3.5.3 - Affordable Housing Outside the Suburban Designation by DA	<p>It is the policy of Council consider affordable housing projects outside the Suburban designation by development agreement, subject to the following criteria:</p> <ol style="list-style-type: none"> 1. That 50% of the dwelling units are affordable and owned or operated by a community housing organization or non profit housing provider for the sole purpose of providing affordable housing. Deeply affordable housing is particularly encouraged; 2. The location is near community services such as schools, libraries, grocery stores, community centres of other important amenities and services. This is generally within 10 kilometers of a Town, Highway 103 or Highway 3; 3. The development shall be located on a public street; 4. The provision of a financial sustainability plan that demonstrates that the project can be financially sustained; 5. The site can be adequately serviced with water and sewer; 6. A site plan is provided which provides sufficient detail to demonstrate: a. Adequate amenity space to meet the recreational or wrap around services required by the target population; b. Buffering from any adjacent low density



residential use, commercial use or industrial use; c. The building typology and building locations. A variety of housing types may be considered, including but not limited to group dwellings, shared accommodations; tiny houses, low rise apartment buildings; land leased communities or any other development forms that enable the provision of affordable housing. Apartment buildings shall not exceed two stories or 35 feet; and d. Adequate parking and setbacks from adjacent uses.

7. Consideration of Policy 7. 3. 4. (Development Agreements)

3.5.4 - Bonusing

It is the policy of Council to permit a density bonus for housing developments with affordable housing component either through provisions of the Land Use bylaw or when considering housing developments by development agreement. To receive any form of density bonusing, the applicant must provide proof that the affordable units are secured for a minimum of 20 years.

3.5.7 – Land Banking and Municipal Land

It is the policy of Council to adopt a land banking policy that provides municipal lands for community housing or affordable housing projects.

LUB Section 10: USES PERMITTED BY DEVELOPMENT AGREEMENT

- c) Bonus Density for housing developments with affordable housing – MPS Policy 3.5.3



Appendix C: Shelburne Land Use By-law Existing By-laws

LUB Part 7: Land Use Zone Specific Requirements:

3. SPECIAL CONDITIONS: MULTI UNIT OR GROUPED DWELLINGS IN THE RD ZONE

A maximum of eight dwelling units are permitted on a single lot in the RD Zone subject to the following criteria and other relevant requirements of this Bylaw:

- a. Maximum lot of coverage of 40% of the total lot area
- b. The submission of a detailed site plan showing the location of parking, septic fields, well, all buildings, fencing and landscaping.
- c. Parking areas with more for more than 2 vehicles shall not be located in the yards adjacent to existing single and two-unit residential dwellings.

SECTION 3. SUBURBAN RESIDENTIAL SPECIAL REQUIREMENTS

1. SITE PLAN APPROVAL - MULTI-UNIT RESIDENTIAL OR GROUPED DWELLINGS IN THE RESIDENTIAL ZONE

Multi unit dwellings and group dwellings exceeding ten (10) units, or multi unit buildings that contain commercial space shall be permitted by Site Plan subject to the following requirements to

- a. For developments with more than thirty (30) units that are not on central water service, the provision of a ground water assessment confirming the adequacy of drinking water and assessing the impact of the proposed use on adjacent uses.
- b. Confirmation by a qualified person of the location and design of wastewater and sewage treatment system that meets the needs of the development.
- c. The building shall not exceed five stories, to a maximum of 18.3 metres (60 feet) in height.
- d. The building setbacks shall be sufficient to provide adequate buffering from adjacent low density residential dwellings to minimize the impacts of shadowing, noise, and light or other relevant land use issues.
- e. That adequate on site recreational and amenity space is provided to future residents. This may include grassed areas, walking paths, pool areas or other recreational infrastructure. This requirement may be waived if the development is within 100 meters (328 feet) of a public recreation facility.
- f. Commercial uses are limited to local commercial uses, such as small-scale retail, community uses, day cares, personal services or the uses that serve the needs of the residents.
- g. Hard surfacing shall not exceed 50% of the lot area.

3. SPECIAL CONDITIONS: MULTI UNIT OR GROUPED DWELLINGS IN THE RD ZONE

A maximum of eight dwelling units are permitted on a single lot in the RD Zone subject to the following criteria and other relevant requirements of this Bylaw:

- a. Maximum lot of coverage of 40% of the total lot area
- b. The submission of a detailed site plan showing the location of parking, septic fields, well, all buildings, fencing and landscaping.
- c. Parking areas with more for more than 2 vehicles shall not be located in the yards adjacent to existing single and two-unit residential dwellings.



2. SITE PLAN APPROVAL - MIXED USE

Mixed use commercial and residential buildings are permitted in the Suburban Commercial and Residential Zone by site plan approval subject to the following:

- a. The submission of a site plan showing the location of all buildings and infrastructure, amenity spaces and other elements on the site.
- b. The main floor facing the street shall be commercial. Residential uses shall be permitted in the rear of the main floor.
- c. The maximum height shall not exceed five stories, to a maximum height of 60 feet.
- d. Amenity space shall be provided that must include adequate outdoor space, and may include balconies, indoor shared space or a common recreation room. For developments in excess of ten (10) dwelling units, there must be a private or semi-private outdoor space for residents of the of the building.
- e. Amenity spaces shall include common outdoor spaces with landscaping and tree. Walkways shall connect the parking area to the main entrance.



Appendix D: Municipal Scan of Policy

The Town of Bridgewater

MPS Section 5.2.2

While the Town does not have the resources to develop affordable housing itself, Council has established planning policies to help support the diversification of housing options and therefore housing affordability, and will also incentivize the development of subsidized affordable housing units through bonus zoning.

Policy R-4: It shall be a policy of Council to permit an additional 20% increase to the maximum permitted residential density provisions in the following zones, where 100% of those additional units meet the Town's definition of affordable housing:

- a) Comprehensive Residential (R3) Zone;
- b) Downtown Residential (R4) Zone;
- c) Medium Density Residential (R5) Zone;
- d) High Density Residential (R6) Zone;
- e) LaHave Commercial (C2) Zone;
- f) Urban Commercial (C3) Zone; and
- g) Group Commercial (C4) Zone.

LUB Sections:

Included in each Zoning Standard Section: Multi-unit and collective residential development that is permitted (number of units per hectare, specified by as-of-right, site plan or development agreement process) may exceed the maximum permitted density by 20% where 100% of those additional units meet the Town's definition of affordable housing;

Included in each Zoning Standards sections related to development agreements: Multi-unit residential development that is permitted through by development agreement ... may exceed the maximum permitted density by 20% where 100% of those additional units meet the Town's definition of affordable housing.

Definition of Affordable Housing:

Housing which costs less than 30% of before-tax household income or defined by CMHC or Province of Nova Scotia as affordable and as contained in a housing or financing agreement for a property party to a development agreement.

West Hants Regional Municipality

MPS DRAFT Policy 4-40

Incentivise affordable housing through the use of bonus zoning, where additional units will be permitted if the development provides a certain number of dwelling units that meet the definition of Affordable Housing Unit in the Land Use By-law, in the following zones:

- a) Medium Density Residential (R-2); and
- b) High Density Residential (R-3).

LUB DRAFT 4.1.3.4 Bonus Zoning for Affordable Housing Units in Medium Density Residential (R-2) Zone



a) Notwithstanding the specification in Section 4.1.3.2, the following bonus zoning shall be permitted if the proposal provides a minimum of five dwelling units that meet the definition of Affordable Housing Unit under this By-law, by way of subsidization through written agreement between the applicant and the Province and/or Federal Governments(s) for a specified period of time:

- i. Maximum Number of dwelling units: increased by up to 35%; and
- ii. Lot coverage: increased to a maximum of 60%.

LUB DRAFT 4.1.4.4 Bonus Zoning for Affordable Housing Units in High Density Residential (R-3) Zone

a) Notwithstanding the specification in 4.1.4.2, the following bonus zoning shall be permitted if the proposal provides a minimum of five dwelling units that meet the definition of Affordable Housing Unit under this By-law, by way of subsidization through written agreement between the applicant and the Province and/or Federal Governments(s) for a specified period of time:

- i. Height of the main building: increased to a maximum of 4 storeys (45 ft)
- ii. Maximum number of dwelling units: increased by up to 40%; and
- iii. Lot coverage: increased to a maximum of 50%

4.2.5.4.4 Bonus Zoning in Pesaquid (Pes) Zone

a) The following bonus zoning shall be permitted if the proposal provides no less than 50% of the additional post-bonus floor area with dwelling units that meet the definition of Affordable Housing Unit under this By-law, by way of subsidization through written agreement between the applicant and the Province and/or Federal Governments(s) for a specified period of time:

- i. Height of the main building: Two (2) additional storeys (max 800 m2 per floor)

Affordable Housing Definition

Affordable Housing Unit means: a) housing that costs less than 30% of before-tax household income or as otherwise defined by the Canada Mortgage and Housing Corporation (CMHC) or the Province of Nova Scotia; and b) dwelling constructed under the Province of Nova Scotia and/or Federal Affordable Housing cost sharing or funding program.

Municipality of Kings County

MPS Section: Affordable Housing and Community Benefit Incentive Policies

Bonus Zoning

3.1.18 establish a by-law outlining conditions and criteria for the purpose of collecting community amenity contributions of assets or the collection of cash-in-lieu to provide additional public benefits where proposed residential development exceeds the scale, height or density permitted under the Land Use By-law.

Inclusionary Zoning

3.1.19 establish a By-law to enable the Municipality to outline conditions and criteria for requiring the provision of affordable housing or the collection of cash-in-lieu in new residential developments.

Municipality of East Hants

East Hants is undertaking a Plan Review in 2026. In the DRAFT East Hants Housing Strategy (2025), 16 priorities that may be undertaken to enable additional housing to be built.



PRIORITY 6.1.7.: Options for bonus and inclusionary zoning.

Action 013: As part of the East Hants Plan Review, scheduled to start in January 2026, East Hants Planning documents will be reviewed to possibly consider offering a height and/or unit bonus to developers who are offering a federal or provincial affordable housing program.

HRM

Part XV, Chapter 1: General Incentive or Bonus Zoning Requirements

Requirement to Provide a Public Benefit for Incentive or Bonus Zoning

472 (1) For any new development over 2,000 square metres of floor area in any DD, DH, CEN-2, CEN-1, COR, HR-2, or HR-1 zone, the applicant shall be required to provide incentive or bonus zoning.

(2) For any development agreement in accordance with Policies CH-7, ED-6, F-4, F-5, UD-13, IM-37, IM-38, IM-39, IM-40, IM-41, IM-42, IM-43, IM-44, IM-45, or IM-46 of the *Regional Centre Secondary Municipal Planning Strategy*, the applicant shall provide incentive or bonus zoning.

(3) Where an applicant is required to provide incentive or bonus zoning in accordance with either Subsection 472(1) or Subsection 472(2), public benefits shall be provided as per the requirements of Section 479.

(4) Where an applicant provides incentive or bonus zoning in accordance with Subsection 472(1), the Development Officer may require the applicant to enter into an incentive or bonus zoning agreement.

(5) Where an applicant provides incentive or bonus zoning in accordance with Subsection 472(2), an incentive or bonus zoning agreement shall be required.

(6) Where an incentive or bonus zoning agreement is required under Subsections 472(4) or 472(5), no development permit shall be issued until the agreement is executed by all the parties and filed in the Provincial Land Registration Office.

Calculation of the Public Benefit Value for a Development Exceeding 2,000 Square Metres in a DD, DH, CEN-2, CEN-1, COR, HR-2, or HR-1 Zone

473 In a DD, DH, CEN-2, CEN-1, COR, HR-2, or HR-1 zone, the minimum required public benefit value shall be calculated by multiplying Factor #1 by Factor #2 and then multiplying the product by Factor #3, where: (a) Factor #1 is the new floor area in square metres that exceeds 2,000 square metres;

(b) Factor #2 is 0.20; and

(c) Factor #3 is the bonus rate, in dollars per square metre, as specified in Section 475.

Deadline to Complete Public Benefit

474 Any required public benefit shall be completed by the applicant: (a) for any money-in-lieu, prior to the development permit being issued; or

(b) for any on-site public benefit, by the deadline specified in the incentive or bonus zoning agreement.

Incentive or Bonus Zoning Rates

475 (1) The bonus rates for the districts identified on Schedule 50 are set out for Districts 1 through 6, as of April 2021, in Table 18.



Table 18: Incentive or bonus zoning rates and districts Bonus rate district #

rate district #	Name of bonus rate district	Bonus rate, 2021 (\$/square metre)
1	South End Halifax (including Downtown Halifax)	\$267.68
2	Cogswell Redevelopment Lands	\$267.68
3	North End Halifax	\$186.75
4	North Dartmouth	\$87.15
5	Downtown and Central Dartmouth	\$149.40
6	Woodside	\$68.48

(2) The bonus rates in Table 18 shall be adjusted annually in accordance with Section 477.

Incentive or Bonus Zoning for Future Growth Nodes

476 (1) Subject to Subsection 476(2), the public benefit value for each Future Growth Node that is covered by a CDD-2 or CDD-1 zone shall be determined, based on the appraised market value of the site once the proposed development agreement is approved by Council, and then multiplied by a coefficient of 0.12.

(2) The appraised market value is not the market value of the completed project, but the value that the applicant could expect to receive if they sold the site with the development agreement in place.

(3) Any appraisal under this section shall be completed by an appraiser that is hired by the Municipality.

(4) The cost of any appraisal shall be paid for by the applicant.

(5) The terms of reference for the appraisal shall be determined solely by the Municipality.

(6) Where the Municipality or applicant disagrees with the appraised value determined in the appraisal, the disagreeing party may, at the applicant’s expense, have a second appraisal done, and the appraisal is subject to the same terms of reference as the initial appraisal.

(7) The appraised value for the purposes of the public benefit value is: (a) where there is one appraisal, the monetary value of the land from that appraisal; or

(b) where there are two appraisals, the average monetary values of the land from the two appraisals.

Incentive or Bonus Zoning Rate Adjustments

477 (1) Subject to Subsection 477(2), before being used to calculate a required public benefit value, the bonus rates specified in Table 18 shall be adjusted annually on April 1st in accordance with changes to the *Halifax All-Items Consumer Price Index* released by Statistics Canada. Rates shall be adjusted using the method specified in Appendix 3.

(2) If the *Halifax All-Items Consumer Price Index* declines or remains unchanged in a given year, there shall be no change in the bonus rates for that year.

(3) The bonus rate for the calculation of the required public benefit value shall be the bonus rate at the time a complete application for a development permit is received by the Municipality.

Public Benefit Categories

479 Subject to Subsections 480(1) and 481(1), an applicant who is required to provide for incentive or bonus zoning shall provide money-in-lieu for affordable housing and in addition shall provide one



- or a combination of the following public benefits: (a) additional money-in-lieu for affordable housing;
- (b) the conservation of a registered heritage building on the development site;
 - (c) money-in-lieu for the conservation of a registered heritage building that is not located on the development site;
 - (d) the conservation of a building within a heritage conservation district on the development site;
 - (e) money-in-lieu for the conservation of a building within a heritage conservation district that is not located on the development site;
 - (f) money-in-lieu for the acquisition or improvement of municipal parks;
 - (g) money-in-lieu for affordable community or cultural indoor space;
 - (h) money-in-lieu for public art; or
 - (i) public art on the development site.

Public Benefit Requirement: Money-in-Lieu for Affordable Housing

480 (1) Subject to Subsection 481(1), the minimum proportion of the total required public benefit value that shall be allocated to money-in-lieu for affordable housing is 60%.

- (2) Money-in-lieu accepted for affordable housing shall be required to be used within the Municipality for: (a) the rehabilitation of existing affordable housing units, including building assessments, provided by a not-for-profit organization or registered Canadian charitable organization;
- (b) the acquisition of buildings, housing units, or properties for affordable housing;
 - (c) the creation of new affordable housing units by a not-for-profit organization or registered Canadian charitable organization;
 - (d) a housing agreement permitted in Clause 73(b) of the Charter; or
 - (e) any combination of Clauses 480(2)(a) to 480(2)(d).

Public Benefit Requirement: Conservation of a Registered Heritage Building or a Building within a Heritage Conservation District

481 (1) On a registered heritage property or on a property within a heritage conservation district:

- (a) 90% of the total required public benefit value shall be: (i) allocated to the conservation of a registered heritage building that is on the development site,
- (ii) allocated to the conservation of a building within a heritage conservation district that is on the development site,
- (iii) paid as money-in-lieu for the conservation of registered heritage properties that are not on the development site, or
- (iv) paid as money-in-lieu for the conservation of properties within a heritage conservation district that are not on the development site; and
- (b) the remaining 10% of the total required public benefit value shall be allocated as money-in-lieu for affordable housing.

(2) The applicant shall register a waiver on title of the property that, without the approval of the Municipality, the registered heritage property or the property within a heritage conservation district shall not be altered or demolished under Section 18 of the *Heritage Property Act*.

Public Benefit Requirement: On-Site Public Art



482 Where provided as a public benefit on-site, public art shall: (a) be located on the development site, and allow direct public access or viewing of the public art; (b) be designed by a professional artist; and (c) have a minimum cost of \$100,000.

Unacceptable Forms of Public Art

483 The following items do not qualify as acceptable forms of public art under the incentive or bonus zoning program: (a) interpretive, wayfinding, or other functional signage; (b) branding or promotional projects; (c) plaques and supporting infrastructure; (d) stock and mass-produced items; (e) memorials, where: (i) the memorial commemorates a single individual not previously approved through the Municipality's Commemorative Asset Naming Program, (ii) the memorial has not been designed and created by a professional artist, or (iii) the primary component or element of design involves benches, picnic tables, playgrounds or other park infrastructure, trees, or other ornamental landscape elements; or (f) landscape design, landscape gardens, or any garden features including fountains, garden furnishings, or other infrastructure, unless those elements have been conceived of by a professional artist independently or in collaboration with other design professionals and are deemed to be an integral component of an artwork.

Incentive or Bonus Zoning Agreement

484 (1) An incentive or bonus zoning agreement shall contain terms respecting: (a) the identification of the development site; (b) design drawings, provided by the applicant, for any required or provided public benefit; (c) where required by the Development Officer, detailed construction drawings, site plans, specifications, cost estimates, or appraisals prepared by an appraiser for any required or provided public benefit; (d) the identification of any conditions required by the Municipality before the public benefit is accepted; (e) where required, provisions for the auditing and reporting of public benefits; and (f) any other terms or conditions the Development Officer requires.

(2) An incentive or bonus zoning agreement shall be signed by the owner.

(3) Subject to Subsections 484(4) and 484(5), and in accordance with Section 31A of the Charter, Council delegates to the Development Officer the authority to enter into an incentive or bonus zoning agreement, or an amendment to an incentive or bonus zoning agreement, on behalf of the Municipality.

(4) In accordance with Subsection 31A(5) of the Charter, where an incentive or bonus zoning agreement entered into by the Development Officer commits the Municipality to any expenditure, the agreement has no force or effect until approved by Council.

(5) In accordance with Subsection 31A(4) of the Charter, an incentive or bonus zoning agreement entered into by the Development Officer, or an amendment to such an agreement, shall be signed by the Mayor and the Municipal Clerk on behalf of the Municipality.

Proposed Amendments – Inclusionary Zoning

MPS

Bonusing Amendments - Voluntary

Proposed addition

3.5.4 – Affordable Housing inside the Suburban Designation by Development Agreement

It is the policy of council to consider affordable housing projects inside the Suburban Designation by Development Agreement on lands serviced by Municipal water and sewer, subject to the following criteria:

- 1) That 20% of the dwelling units are affordable and owned or operated by a community housing organization or non-profit housing provider for the sole purpose of providing affordable housing. Deeply affordable housing is particularly encouraged;*
- 2) The location is near community services such as schools, libraries, grocery stores, community centres of other important amenities and services.*
- 3) The development shall be located on a public street;*
- 4) The provision of a financial sustainability plan that demonstrates that the project can be financially sustained;*
- 5) The site can be adequately serviced with water and sewer*
- 6) A site plan is provided which provides sufficient detail to demonstrate:
 - a. Adequate amenity space to meet the recreational or wrap around services required by the target population*
 - b. Buffering from any adjacent low density residential use, commercial use or industrial use;*
 - c. The building typology and building locations. A variety of housing types may be considered, including but not limited to group dwellings, shared accommodations; tiny houses, low rise apartment buildings; land leased communities or any other development forms that enable the provision of affordable housing. Apartment buildings shall not exceed the height four (4) stories or 45 feet on municipal water and sewer servicing, or three (3) stories or 35 feet on-site water and sewer servicing.*
 - d. Adequate parking and setbacks from adjacent uses.**
- 7) Consideration of **Policy 7.3.4.***

EXISTING

3.5.4 – Bonusing

It is the policy of Council to permit a density bonus for housing developments with affordable housing component either through provisions of the Land Use bylaw or when considering housing developments by development agreement. To receive any form of density bonusing, the applicant must provide proof that the affordable units are secured for a minimum of 20 years.

Text Amendment:

It is the policy of Council to permit a density bonus for housing developments with affordable housing component by development agreement. To receive any form of density bonusing, the applicant must provide proof that the affordable units are secured for a minimum of 20 years *and owned or operated by a community organization or non-profit housing provide for the sole purpose of providing affordable housing.*

Bonusing is available and may be applied to developments with multi-unit and/or grouped dwelling residential housing by Development Agreement. Bonusing shall be either:

- a) For developments serviced by Municipal water and sewer:
 - a. A reduction in minimum parking provisions of 0.25 parking spaces per unit, or;*
 - b. One additional story up to 60 ft (5 storys), or;*
 - c. An increase in the hard surfacing up to 60% of the lot area, or;*
 - d. A reduction or waiving of the required amenity space.**

- b) For developments serviced by on-site water and sewer:
 - a. A reduction in minimum parking provisions by 0.25 parking spaces per unit, or;*
 - b. An increase in the hard surfacing up to 60% of the lot area, or;*
 - c. A reduction or waiving of the required amenity space.**

LUB

Part 2.

DEFINITIONS

Add:

Bonusing: Bonusing means the granting of additional development rights, such as increased height, lot coverage, reduced parking requirements, or amenity space, in exchange for providing affordable units that are run by a non-profit housing provider.

Part 3.

AMINISTRATION AND INTERPRETATION

Section 10

USES PERMITTED BY DEVELOPMENT AGREEMENT

Add:

- c) Affordable Housing inside the Suburban Designation – **Policy 3.5.4***

Part 6. Zoning

SECTION 6. GENERAL ZONING PROVISIONS

Text Amendment

Res zone:

Municipal maximum building height “18.2 m, 60 ft” to “14.6 m, to 45 ft”

SC zone:

Municipal maximum building height “18.2 m, 60 ft” to “14.6 m, to 45 ft”

Part 7. Land Use Zone Specific Requirements

SECTION 3. SUBURBAN RESIDENTIAL SPECIAL REQUIREMENTS

1. SITE PLAN APPROVAL - MULTI-UNIT RESIDENTIAL OR GROUPED DWELLINGS IN THE RESIDENTIAL ZONE

Text Amendment:

c) The building shall not exceed five stories, to a maximum of 18.3 metres (60 feet) in height.

The building shall not exceed “four” stories, to a maximum of 14.6 metres (45 feet) in height.

SECTION 4. SUBURBAN COMMERCIAL SPECIAL REQUIREMENTS

2. SITE PLAN APPROVAL - MIXED USE

Text Amendment:

c) The building shall not exceed five stories, to a maximum of 18.3 metres (60 feet) in height.

The building shall not exceed “four” stories, to a maximum of 14.6 metres (45 feet) in height.