



MUNICIPALITY *of the*
COUNTY *of* KINGS

Planning Advisory Committee

Tuesday, December 12th, 2023 at 1:00PM

Council Chambers

181 Coldbrook Village Park Drive

AGENDA

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1. Meeting to Order	
2. Roll Call	
3. Election of Chair and Vice Chair	
4. Amendments to Agenda	
5. Approval of the Agenda	
6. Disclosure of Conflict-of-Interest Issues	
7. Approval of Minutes	
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8. Business Arising from the Minutes	
9. Business	
a. Application for a text amendment to revise the minimum area and minimum lot frontage requirements of the Country Residential (A4) Zone to enable the subdivision of two properties in order to convert the existing duplexes into semi-detached dwellings. (Alice Jacob, File #23-13)	8
b. Options for Incentive Zoning: Inclusionary Zoning and Density Bonusing (Laura Mosher)	16
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13. PAC Meeting – January 16 th 2024 at 1:00 pm	
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PLANNING ADVISORY COMMITTEE

Tuesday, November 14th 2023

Minutes

Meeting, Date and Time	A meeting of the Planning Advisory Committee (PAC) was held on Tuesday, November 14 th , 2023, in Council Chambers at 181 Coldbrook Village Park Drive.
Attending	In Attendance:
PAC Members	Councillor Martha Armstrong – District 4 (Chair) Councillor June Granger – District 1 (Vice Chair) Councillor Dick Killam – District 3 Councillor Kevin Davison – District 8 Councillor Peter Allen – District 9 Chantal Gagnon – Citizen Member Kate Friars – Citizen Member Logan Morse – Citizen Member
Municipal Staff	Trish Javorek – Director of Planning and Inspections Laura Mosher – Manager of Planning and Development Alice Jacob – Planner Katie Ollmann – Planner Laurie-Ann Clarke – Recording Secretary Haley Hutt – Recording Secretary
Public	5
1. Meeting to Order	Councillor Armstrong, Chair, called the meeting to order at 1:38 p.m.
2. Roll Call	Roll call was taken.
3. Amendments to the Agenda	There were no amendments to the agenda.
4. Approval of the Agenda	On motion of Councillor Granger and Ms. Gagnon, that the agenda for the November 14, 2023 meeting of Planning Advisory Committee be approved as circulated. The question was called on the motion. Motion carried.
5. Disclosure of Conflict-of-Interest Issues	None
6. Approval of Minutes	
a. October 10th 2023	On motion of Mr. Morse and Councillor Allen, that the minutes of the Planning Advisory Committee meeting held on October 10th, 2023 be approved as circulated. The question was called on the motion. Motion carried.

7. Business Arising from the Minutes None.

8. Approval of Area Advisory Committee Members

a. Centreville Area Advisory Committee **On the motion of Councillor Granger and Councillor Killam that the Planning Advisory Committee recommends that Municipal Council appoint Sean Morrison to be a citizen member on the Centreville Area Advisory Committee for a two (2) year term.**

The question was called on the motion. **Motion carried.**

b. Kingston Area Advisory Committee **On the motion of Mr. Morse and Councillor Davison that the Planning Advisory Committee recommends that Municipal Council appoint the following Responsible Organization Members for one (1) year terms and the following Citizen Members for two (2) year terms for the Kingston Area Advisory Committee:**
Kingston Area Advisory Committee Responsible Organization Members
Commissioner Wayne Fowler
Commissioner Lauren Avery
Commissioner Neil Larder
Citizen Members
Paul Parsons
Sarah Naesmyth

The question was called on the motion. **Motion carried.**

9. Business

a. Application to amend the Grand Pré Conservation District Map (PID: 55231468) (File # 23-14) Katie Ollmann, Planner, presented an application from Victoria and Terry Bell to remove their property at 2176 Grand Pre Road in Grand Pre from the Heritage Conservation District.

Questions of Clarification:

Councillor Granger asked if there was a house on the property when the designation came into place. Staff advised that the dwelling was constructed after the District was adopted.

Councillor Allen asked how long before a dwelling would be classified as historic. Staff clarified that based on the Grand Pre design guidelines prior to 1900 would be classified as historic.

A discussion occurred regarding the difference between the regulations found in the Land Use By-law and the Heritage Conservation District documents. Staff clarified that the regulations contained within the Heritage Conservation District provides

regulations related to aesthetics and building materials but does not affect the permissions and regulations contained within the LUB.

Councillor Armstrong asked if it was the landowner’s choice when the designation was introduced. Staff confirmed that it was an voluntary opt-in program and that owners had to sign a declaration to become part of the heritage designation.

On the motion of Councillor Allen and Mr. Morse that the Heritage Advisory Committee recommends that Municipal Council give First Reading to and hold a Public Hearing regarding the application to amend the Grand Pré Conservation District Map by removing a property at 2176 Grand Pré Road (PID 55231438), Grand Pré as described in Appendix D of the report dated November 14, 2023.
 Debate: None

b. Application to rezone a portion of the property in Greenwood (File # 22-17)

The question was called on the motion. **Motion Carried.**

Katie Ollmann, Planner, presented an application to rezone a portion of 1291 Highway 201 and a portion of an abutting property in Greenwood to the Rural Industrial (M3) Zone to permit a Building and Construction Contractors Use and associated asphalt plant as well as an outdoor self storage facility.

Questions of Clarification:

Councillor Killam asked if CFB Greenwood had been notified about the application. Staff confirmed that CFB Greenwood had been notified and there had been no comments from them.

Councillor Granger asked of the 39 acres of the property if only 17.37 acres was being rezoned and if that was enough space for the plans for the property. Staff confirmed that this was correct.

A citizen member asked for clarification if there was any of the proposed usage already taking place on the site or in the near proximity to the site. Staff advised that the existing buildings are currently used as office space and storage for the Building and Construction Contractor’s use.

A citizen member asked for clarification that the rezoning permits all M3 uses as long as it was within the zoning requirements. Staff confirmed that the owner would have to follow all the other requirements of the LUB however that the layout of the site put constraints on further development of the site.

A citizen member asked if there were exact measurements defined in the LUB for “close proximity” and “well separated”. Staff clarified there was no exact measurements as the terms were subjective based on the project being considered.

A discussion occurred regarding threats to nearby wells and wetlands due to the proposal, particularly wells located at CFB Greenwood and surrounding residential uses. Staff indicated that there were monitoring and other operational requirements associated with the license from the Department of Environment and

Climate Change. The Municipality requires a 50 foot watercourse separation distance which would include wetlands.

A citizen member asked if the property immediately adjacent to the east is active agricultural, and if the land could be contaminated. Staff clarified some impacts from the project, and that there would not be any additional negative impacts by allowing this project from what is already occurring in the area.

Councillor Killam asked if there is a land-use conflict in the future, can the Federal government override any decisions the Municipality makes. Staff clarified that restrictions such as height requirements may bleed over into adjacent lands but there would be no overriding.

Councillor Killam asked if CFB Greenwood wanted to expand in the future what would happen to the land. Staff clarified that the land would have to be purchased from the owner.

On the motion of Councillor Davison and Mr. Morse that the Planning Advisory Committee recommends that Municipal Council give First Reading to and hold a Public Hearing regarding the application to rezone a portion of the properties located at 1291 Hwy 201 and a portion of an abutting vacant parcel (PIDs 55448005 and 55517080), Greenwood from the Rural Mixed Use (A2) Zone to the Rural Industrial (M3) Zone as described in Appendix D of the report dated November 14, 2023.

Debate:

A citizen member expressed their concern on the impacts to the environment, and water, They also expressed concerns about traffic congestion, and the close proximity of the growth centre to the property lines. Ms. Gagnon also expressed concerns related to the lack of detail regarding the term “close proximity”, and how many residents are within a one kilometre distance and believes that there is potential for conflict.

Another citizen member mentioned other asphalt plants in the Municipality and how minimal the impact is at those locations, and that he did not see a conflict arising with residential or farming uses and that the previous use likely was potentially more disruptive than the proposed use.

The question was called on the motion. **Motion Carried.**

c. Application to rezone a property in Waterville (PID: 55159180) (File # 23-11)

Alice Jacob, Planner, presented an application by East Coast Memorial to discharge an existing development agreement and to rezone the property located at 5431 Highway 1 (PID: 55159180), Waterville from the Residential Mixed Density (R3) Zone to the Mixed Commercial Residential (C3) Zone

Questions of Clarification:

A citizen member asked if the change in zoning would allow for a crematorium. Staff

confirmed that it would be, as that is a listed permitted use in the zone, but it was not in the current application.

A citizen member asked if the building meets all the requirements for the change in zone. Staff confirmed that the building will conform to LUB.

A citizen member asked why a funeral home could not exist in the current zoning as it was common practice in some cultures to host funerals at one's home. Staff clarified that in those cases the primary use is still residential, whereas the primary use of this location would be to hold funerals.

On the motion of Councillor Killam and Ms. Gagnon that the Planning Advisory Committee recommends that Municipal Council give First Reading to and hold a Public Hearing regarding the application to rezone 5431 Highway 1 (PID: 55159180), Waterville from the Residential Mixed Density (R3) Zone to the Mixed Commercial Residential (C3) Zone, as described in Appendix D of the report dated November 14, 2023.

Debate: None

The question was called. **Motion Carried.**

d. Application to enter into a development agreement in Port Williams ((File # 22-02)

Laura Mosher, Manager of Planning and Development, presented an application from Aaron Ewer of Halyard Developments on behalf of SAG Developments Inc. to develop a comprehensive neighbourhood development within a variety of built forms.

Questions of Clarification:

A citizen member asked for clarification of the vegetated buffer, and the farmland that borders the application. Staff clarified that a buffer will still be in place, and that bordering property is unlikely to become an active agricultural operation under current ownership.

A citizen member asked if the developer would be responsible for planting or replanting trees. Staff clarified that the developer would not be required as there were no previous trees on the property.

Councillor Allen asked if new roads proposed under this DA would be J- Class roads. Staff clarified that they would be classified as subdivision roads and be under the sole ownership of the Municipality.

On the motion of Councillor Killam and Ms. Friars that The Planning Advisory Committee recommends that Municipal Council give Initial Consideration to and hold a Public Hearing regarding entering into a development agreement to permit a comprehensive neighbourhood development on a vacant parcel of land located on the west side of Collins Road (PID 55037139), Port Williams, as

described in Appendix C of the report dated October 12, 2023.

Debate: None

10. Other Business

The question was called on the motion. **Motion carried.**

Ms. Gagnon brought up her desire to see a review of the current notification process.

Ms. Gagnon noted her term comes to an end at the end of November and wanted to thank the committee for everything done during her time on the committee.

11. Public Comments

Comments were received from two members of the public:

Alan Ng of the Department of National Defense provided comments and information related to File 22-17.

Anna Spooner, Grand Pré, provided comments related to the Heritage Conservation District in Grand Pré.

12. Next Meeting

The next meeting of PAC will be held on Tuesday, December 12th, 2023, at 1:00 p.m.

13. Adjournment

There being no further business, on motion of Councillor Granger and Ms. Gagnon, that the meeting adjourn.

The meeting adjourned at 3:42pm

Approved:

Planning Advisory Committee

Month/Day/Year

Municipality of the County of Kings Report to the Planning Advisory Committee

Application to amend the text of the Land Use By-law to change the requirements for semi-detached dwellings within the Country Residential (A4) Zone.

File #23-13

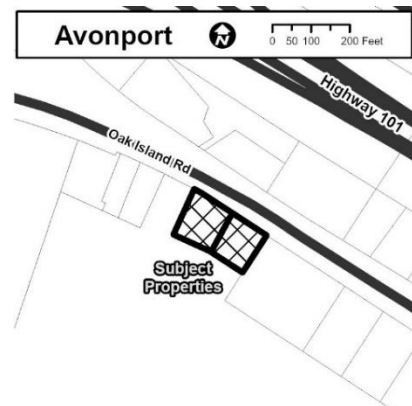
December 12, 2023

Prepared by: Planning and Development Services

Applicant	Graham Schlender
Location	Oak Island Road, (PIDs 55548747, 55548754) Avonport (LOT 51 and 52) (*Properties which prompted this amendment)
Proposal	Change the requirements for semi-detached dwellings within the Country Residential (A4) Zone
Designation	Agricultural
Zone	Country Residential (A4) Zone
Neighbour Notification	16 letters sent via letter mail to properties within 500 feet of the properties prompting this amendment

1. PROPOSAL

Graham Schlender on behalf of 4365006 Nova Scotia Limited has submitted an application for a Land Use By-law Text Amendment to change the minimum lot area and lot frontage requirements for semi-detached dwellings within the Country Residential (A4) Zone that are served by central sewer. This would enable the applicant as well as future applicants to subdivide properties serviced by central sewer at a reduced lot frontage and area requirements.



2. OPTIONS

In response to the application, the Planning Advisory Committee may:

- A. Recommend that Council approve the amendment as drafted;
- B. Provide alternative direction, such as requesting further information on a specific topic, or recommending changes to the draft amendment;
- C. Recommend that Council refuse the amendment as drafted.

3. STAFF RECOMMENDATION

Staff recommend that the Planning Advisory Committee forward a positive recommendation by passing the following motion.

Planning Advisory Committee recommends that Municipal Council give First Reading to and approve a Public Hearing for the amendments to the text of the Land Use By-law to change the minimum lot area and lot frontage requirements for semi-detached dwellings within the Country Residential (A4) Zone as described in Appendix A of the report dated December 12, 2023.

4. BACKGROUND

The properties that prompted this amendment are located along Oak Island Road in Avonport. The properties are within the Country Residential (A4) Zone. The Country Residential (A4) Zone was created to maintain low-density neighbourhoods in predominantly agricultural areas. The zone permits residential uses such as mobile homes, one unit dwellings, semi-detached dwellings, two unit dwellings and a few other non-residential uses. For (all) residential uses (with central sewer), the zone requires a property to have a minimum lot area of 10,000 square feet and a minimum lot frontage of 80 feet. The properties prompting this amendment have a lot area of 13,608 square feet and 11,586 square feet, and frontages measuring approximately 116 feet and 105 feet respectively. Each lot has a two unit dwelling (duplex) on it and the applicant intends to subdivide these lots and convert the two unit dwellings into semi-detached dwellings. The applicant is unable to subdivide the lots before the amendment since they would result in lot areas and frontages that do not meet the current requirements of the zone as specified in the Land Use By-law.

Where semi-detached dwellings are permitted within a zone, this built form typically has a separate set of requirements than one unit and two unit dwellings to enable subdivision of the individual units and to maintain a similar level of efficiency in delivering services and utilization of land. While one unit dwellings and two unit dwellings consist of one and two residential units respectively, located on a single lot, semi-detached dwellings are two residential units that are divided vertically by a wall extending ground to roof and may be divided by a lot line. Where residential units are divided by a lot line, each lot consists of only one (1) residential unit and each unit has to follow the requirements specified within the zone. For properties with central sewer, these requirements (area and frontage) are usually half of what is required for one and two unit dwellings within a zone and for properties with on-site sewer the area requirement is usually the same as one and two unit dwellings and the frontage is half of what is required for one and two unit dwellings. This is the case for most of the zones that permit semi-detached dwellings within the current Land Use By-law (LUB), and it was also the case for the Country Residential (R6) Zone within the previous By-law (By-law 75). The Country Residential (A4) Zone in the 2019 LUB is similar in nature to the former Country Residential (R6) Zone under By-law 75.

Due to an oversight by Staff these separate sets of requirements were not included within the Country Residential (A4) Zone in the current LUB, which is the successor zone to the Country Residential (R6) Zone.

Presently, each unit of a semi-detached dwelling is required to follow the same set of requirements applicable to all one unit and two unit dwellings within the Country Residential (A4) zone. This amendment was part of the planning department's housekeeping list, however, having received an application specifically requesting this amendment the process had to be expedited.

5. PUBLIC CONSULTATION

Under the Planning Policies of the Municipality of the County of Kings (PLAN-09-001), a Public Information Meeting (PIM) was required because the application concerns an amendment to the Land Use By-law text. A PIM was held on October 19, 2023, at the Horton Community Center, Grand Pre. A recording of the presentation was also later made and uploaded to the municipal website after the meeting, and it has been available for viewing since that time.

A total of 16 property owners within 500 feet of the properties prompting this amendment were notified of the planning application and the associated meeting via letter mail in October 2023. An advertisement was also placed in the October 10, 2023, edition of the *Valley Journal Advertiser* providing notice of the planning application and details about the PIM.

Seven members of the public including the applicant were present at the meeting. Staff received a few general questions of clarification regarding the application that prompted this amendment. Concerning the amendment, the residents inquired about the extent to which the amendment would apply, whether it would apply to just the properties prompting this amendment or all properties located within the zone. A few other general comments regarding the public notification process were also received during the meeting. The public also shared their concerns regarding the challenges of navigating the municipal website for information.

6. POLICY REVIEW

Policy 5.3.2 of the Municipal Planning Strategy enables this amendment, it allows the council to consider amendments to the text of the Land Use By-law. The policy states as follows:

Council shall:

5.3.2 *amend the text of the Land Use By-law provided the proposal meets the general criteria for amending the Land Use By-law set out in section 5.3 Development Agreements and Amending the Land Use By-law.*

The policy further directs to policy 5.3.7 General Criteria to Consider for all Development Agreements and Land Use By-law Amendments which is stated below.

Council Shall

5.3.7 *be satisfied that a proposal to amend the Land Use By-law or to enter into a Development Agreement:*

(a) is consistent with the intent of this Municipal Planning Strategy, including the Vision Statements, relevant goals, objectives and policies, and any applicable goals, objectives and policies contained within a Secondary Plan;

The intent of the Municipal Planning Strategy (MPS) with regard to Country Residential (A4) Zone states as follows:

Council Shall

3.4.2 *establish the following Agricultural Zones in the Land Use By-law:*

(d) Country Residential (A4): lands located in this zone are intended to maintain on-site serviced low-density neighbourhoods, consisting primarily of one or two unit dwellings, while encouraging the efficient use of land and infrastructure in an agricultural setting. This zone has also been applied to isolated areas of serviced development in rural areas of the Municipality. In the event of a conflict between an agricultural use and a non-agricultural use, the agricultural use shall take priority; and

Further to this, policies 3.4.30, 3.4.31 and 3.4.32 also state

3.4.30 *zone as Country Residential (A4) developed rural subdivisions located on a public road. This zone is intended to maintain both on-site serviced and existing municipally serviced low-density neighbourhoods located outside of Growth Centres, consisting primarily of one or two unit dwellings. In the event of a conflict between an agricultural use and a non-agricultural use, the agricultural use shall take priority;*

3.4.31 *permit within the Country Residential (A4) Zone:*

(a) agricultural uses excluding livestock operations;

(b) residential development on public roads; and

(c) dwellings containing up to two (2) residential units; and

3.4.32 *regulate the pattern of development and limit potential conflicts with agricultural uses by controlling the frontage, lot size and lot setbacks to encourage efficient development while also maintaining a rural character.*

The proposed amendment would apply to all lots located within the Country Residential (A4) Zone, including lots with on-site sewer and lots serviced by central sewer. The following paragraphs will look at both cases to see if the proposed amendment would be consistent with the intent of the zone to maintain low density and to maintain the rural character of the zone.

Over 80% of the lands located in the municipality are within rural areas and offer limited development opportunities. Lots located within these areas are usually unserved and require an on-site septic system. The zones within the rural areas which permit semi-detached dwellings include the Rural Mixed Use (A2) Zone, the Tidal Shoreland (T1) Zone, the Tidal Commercial (T2) Zone and the Resource (N1) Zone. These zones have a reduced lot frontage requirement for semi-detached dwellings but require one unit, two unit and semi-detached dwellings (with on-site sewer) to be located on lots having an area of at least 30,000 square feet, notwithstanding the reduced frontage requirement for semi-detached dwellings. The lot area requirements remain the same here because of the area required to install and maintain a septic system and since a septic system cannot be shared by residential units on different lots. This means, that while a two unit dwelling can use one on-site system for both units, with a semi-detached dwelling, two on-site sewage disposal systems are needed: one on each lot. The proposed amendment to the Country Residential (A4) Zone would also result in similar requirements for semi-detached dwellings on lots without access to central services. The dwellings will be required to be located on lots having a frontage of at least 50 feet (half the frontage required for one and two-unit dwellings). However, the area requirement would remain the same (30,000 square feet for all residential uses), as a result, Staff do not expect any changes to the density or the rural character in this case.

When compared to the other Agricultural Zones (Agricultural (A1), Rural Mixed Use (A2), Farm Commercial (A3)), the Country Residential (A4) Zone was established primarily for low-density residential development in rural/agricultural areas. The Country Residential (A4) Zone also differs from other Agricultural Zones in that it has been applied to parts of the rural area that benefit from the central sewer. Since there are no minimum lot area requirements associated with central sewer provision, unlike the requirements for on-site sewage disposal systems, Staff believe it would be appropriate to include a separate lot area requirement for semi-detached dwellings on lots serviced by central sewer within the Country Residential (A4) Zone. Similar to other rural zones like the Tidal Shoreland (T1) and Tidal Commercial (T2) Zones which include separate requirements for (semi-detached dwellings on) lots serviced by central sewer, the proposed area requirement would be 50% of the area required for a one or two unit dwellings, or 5,000 square feet. This is also consistent with the practice for zones in urban areas that permit semi-detached dwellings but with a larger lot area than urban areas to maintain the rural character of the area which is defined, in part, by low-density residential uses.

(b) is not in conflict with any Municipal or Provincial programs, By-laws, or regulations in effect in the Municipality;

The proposed amendment is not in conflict with any Municipal or Provincial programs, By-laws, or regulations.

(c) is not premature or inappropriate due to

(i) the Municipal or village costs related to the proposal;

Staff do not expect the proposed amendment to have any financial impact on the Municipality or Villages.

The additional criteria listed within this policy are site-specific and more relevant to specific development/land use map amendment applications and do not apply to this text amendment. The proposed amendment would apply to all lots located within the Country Residential (A4) Zone.

7. CONCLUSION

Staff have reviewed this request for a text amendment to the Land Use By-law against the applicable policies of the MPS and have determined that the proposed amendments are consistent with the intent of the MPS. The specified requirements should have been included in the Land Use By-law (By-law 106) when it first came into effect. As a result, Staff are making a positive recommendation to the Planning Advisory Committee.

8. APPENDICES

Appendix A – Proposed Amendment

APPENDIX A – DRAFT AMENDMENT

Proposed Land Use By-law Text Amendment (By-law 106)

THE MUNICIPALITY OF THE COUNTY OF KINGS

**AMENDMENT TO BY-LAW 106
COUNTY OF KINGS LAND USE BYLAW**

Land Use Bylaw Text Amendment to change the requirements for semi-detached dwellings within the Country Residential (A4) Zone.

BY-LAW 106 Land Use By-law

1. Amend section 8.6.3 of the Land Use By-Law, Zone Requirements within the Country Residential (A4) Zone, by deleting section 8.6.3 and replacing with:

8.6.3 Zone Requirements

The following requirements shall apply to all development located in the Country Residential (A4) Zone.

	Requirement	One Unit Dwellings, Two Unit Dwellings & Mobile Homes	Semi-detached dwellings	All Other Permitted Uses
(a)	Minimum Lot Area: (i) Central Sewer (ii) On-site Sewer	10,000 sq ft. 30,000 sq ft.	5000 sq ft./unit 30,000 sq ft./unit	100,000 sq ft. 100,000 sq ft.
(b)	Minimum Lot Frontage: (i) Central Sewer (ii) On-site Sewer	80 ft. 100 ft.	40 ft./unit 50 ft./unit	100 ft. 100 ft.
(c)	Minimum Front/Flankage Setback: (main and accessory buildings)	25 ft.	25 ft.	40 ft.
(d)	Minimum Side Setback: (i) Main Buildings a. Central Sewer b. On-site Sewer (ii) Accessory Buildings (iii) Common Wall	4 ft. 20 ft. 4 ft. N/A	4 ft. 20 ft. 4 ft. 0 ft	40 ft. 40 ft. 20 ft. N/A
(e)	Minimum Rear Setback: (i) Main Buildings a. Central Sewer b. On-site Sewer (ii) Accessory Buildings	20 ft. 40 ft. 10 ft.	20 ft. 40 ft. 10 ft.	40 ft. 40 ft. 20 ft.

(f)

Maximum Building Height:			
(i) Main Buildings	35 ft.	35 ft.	55 ft.
(ii) Accessory Buildings	20 ft.	20 ft.	20 ft.

Amended [date] to modify requirements for semi-detached dwellings, File 23-13



Municipality of the County of Kings

Report to the Planning Advisory Committee

Inclusionary and Bonus Zoning Policy Review

DATE: December 12, 2023

Prepared by: Planning and Development Services

1. PROPOSAL

The Municipality of the County of Kings (MOK) engaged Brighter Community Planning & Consulting (BCP) to complete a review (Appendix A) and provide recommendations regarding inclusionary zoning as well as incentive and bonus zoning. BCP created a set of draft policies (Appendix B) to demonstrate potential policy options for incentive programs designed to expedite the creation of new housing. The policy formulation is based on a review of best practices, existing MOK Planning Policies, and feedback from key community stakeholders. Further public engagement will be required for new policies to be considered.

Provisions in the *Municipal Government Act* specific to inclusionary zoning as well as incentive and bonus zoning enable these policy tools to be used by municipal governments to support programs or outcomes in the public interest, including the development of affordable housing or in development generally. To date, MOK has not enabled these policies in their planning documents. Revisions to existing policies regarding as-of-right development parameters and site plan approval processes have been included in the range of policy revisions to demonstrate how housing and community development incentives can be viewed comprehensively.

2. OPTIONS

In response to the recommendations included in the policy review, the Planning Advisory Committee may:

- A. recommend that Council approve the policy direction and process as drafted and proceed to a Public Participation Meeting;
- B. provide alternative direction, such as requesting further information on a specific topic, or recommending changes to the draft policies or process;
- C. recommend that Council refuse the policy direction and process as drafted.

3. STAFF RECOMMENDATION

Staff recommend that the Planning Advisory Committee forward a positive recommendation by passing the following motion.

THAT Planning Advisory Committee recommend that Municipal Council give First Reading to and hold a Public Hearing regarding the draft development incentives policies contained in Appendix B of the report dated December 12, 2023.

4. BACKGROUND

Special Committee of the Whole meetings were held in January 2022 which included a Staff presentation on housing-related topics. They discussed the municipal role in housing and reviewed a series of eight recommendations. These recommendations were grouped into general housing, central service, and density housing sections. In the summer of 2022, Municipal Council held focused discussions on how incentive/bonus zoning and inclusionary zoning could be considered within the full MOK context.

The attached discussion paper provides an initial framework to examine incentive policies related to the creation of housing units through new and revised density provisions as well as community development. The process of developing the policy framework includes the evaluation of the potential for incentive and bonus zoning, as well as inclusionary zoning, as strategic policy tools to facilitate both broader community development and the development of affordable housing.

As a means of framing the policy formulation, key concepts regarding inclusionary zoning and bonus zoning are included in the discussion paper.

There are several key concepts that will help frame the policy discussion:

The Role of Data in Setting Attainable Goals

Good data is crucial to have a discussion on housing needs and the types of programs that will best serve residents. Market factors such as land value, construction costs, and housing supply and demand must be considered when developing policies that affect the housing market and financial viability of developments. The utilization of housing market data from government sources or development sector organizations should be considered in the development of effective policies and programs.

Affordable Housing

The Nova Scotia Affordable Housing Commission (NSAHC) report identifies high provincial poverty rates and recent housing market pressures as immediate factors driving the crisis in accessing affordable housing. In rural Nova Scotia, an older population and smaller household sizes further complicate the situation. As a result, there is a pressing need to develop and maintain affordable housing policies and

options for all residents. The report emphasizes the importance of policies and tools related to below market rental and home ownership, as well as market rental and ownership. The Canada Mortgage and Housing Corporation (CMHC) definition of affordable housing is a good reference point requiring that shelter costs should account for less than 30% of before-tax household income. However, other aspects of the housing continuum are also important, and collaboration with federal and provincial governments is necessary to develop an overall housing picture for the Municipality.

Housing Market Factors

It is important to consider differences between the rental and ownership segments of the overall housing market, and the question of whether incentives to create affordable units are necessary, or if the needs of residents are better served through the maximum creation of middle-range housing which may then facilitate the 'filtering effect'. The filtering effect refers to the process by which households trade upward to newer and larger units as their financial conditions improve, leaving behind older units that become more affordable to lower-income households over time. However, the lack of available housing options has made it difficult for this filtering effect to occur as readily in some areas, which highlights the need for good local data to support effective policy creation.

The Department of Municipal Affairs and Housing is currently undertaking Housing Needs Assessments for all municipalities in the province that have not recently undertaken such a study. These are expected to be completed in 2023 and are expected to provide important information that will assist in informing future housing-related initiatives.

Density

The MOK Municipal Planning Strategy concentrates future development and density into Growth Centres, and increasing density within these areas raises concerns about community character and infrastructure capacity. Permitting housing forms that facilitate the transition from lower to higher areas of density can mitigate the trade-offs between negative impacts and benefits of new dwelling units. The concept of "missing middle housing" provides alternative options for starter or affordable housing, and policies can create opportunities for all neighbourhoods to contribute to housing growth, including single-unit dwelling or R1 zones.

Bonus Zoning

'Bonus zoning' (sometimes referred to as incentive zoning) enables developers to build more units than permitted under the Land Use By-law ('LUB') in exchange for public benefits in the form of community amenities, affordable housing or other benefits identified by Council. It can be applied region-wide or in specific areas and affects the location, number, and affordability of units. Municipalities use it to secure affordable housing units or cash-in-lieu, but its success depends on strong market demand for units to make increased density attractive to developers.

Public benefits are important in making a project or neighbourhood attractive, and may include aesthetic features, public spaces, and facilities that cater to the community's social, cultural, recreational, and infrastructure needs. Community amenity contributions can help existing residents see tangible benefits from new developments, while community development policies may be used to fund community amenities in response to changing urban form. Two core principles, "nexus" and "proportionality," are important for ensuring fair and reasonable community amenity contributions. "Nexus" refers to a direct link between contributions and development impacts, while "proportionality" refers to contributions being proportional to the impact generated by development and consistent with contributions made by others.

Inclusionary Zoning

Inclusionary zoning is a tool to create affordable housing that the private market would produce. Similar to incentive or bonus zoning, the housing developer is able to produce additional units through increased height and/or density provided a portion of the housing is rented at a reduced rate for a given period of time. It is complicated and controversial as it balances opposing views on the role of the private sector in meeting a public need. Municipal policies can provide incentives for developers to create affordable units, but market-related factors also play a role in creating favourable conditions (Figure 1).

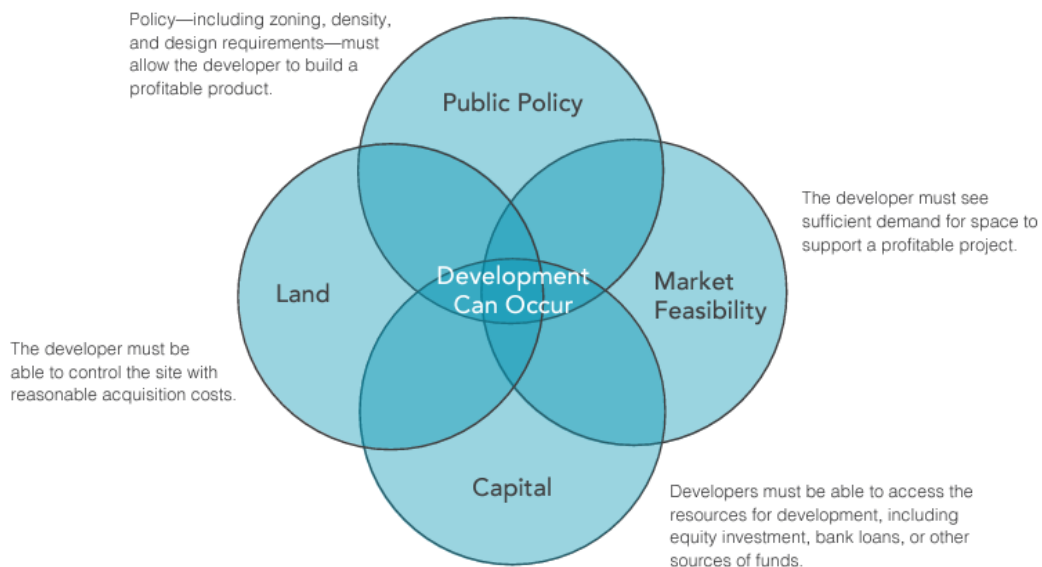


Figure 1: The Economics of Development - from the Urban Land Institute, Williams et al 2016

Housing Incentive Policies and Development Economics

To create effective housing incentive policies, local economic factors related to land and building development should be considered. Implementing housing incentive policies without adequate consideration of local conditions can hinder development. The implementation of affordable housing units without sufficient incentives can impact the developer's financial ability to move forward with a project, leading to land value compression. A report by Hemson Consulting Ltd. described market conditions best suited for inclusionary zoning, using five indicators to assess and assign scores to individual urban centres. They based their assessment on consistent new housing starts and population growth, patterns of intensification, land value and market strength, and the housing need for middle income groups.

The policy tools in this report are often used to generate below-market rate rental units but have not been shown to generate a significant amount of housing that meets the CMHC's definition of affordable housing. This is due to market conditions discussed above and which are discussed in greater detail in the Discussion Paper found in Appendix A of this report.

The discussion paper further examines existing policy and the regulatory landscape within the Municipality to help determine how best to consider and incorporate the new policy tools before shifting to an analysis of existing best practices. The development of policy considerations benefits from consultation with key local stakeholders to gauge area context and fit. The report then examines the most common factors that go into the shaping of incentive and inclusionary zoning policies before generating a series of draft policies.

5. ANALYSIS

5.1 Overview

The analysis of policy options incorporates a threefold process for examining how bonus zoning as well as inclusionary zoning can be considered for MOK. It incorporates the review of current planning documents, the best practices review, and interviews with key informants and stakeholders. Through exploring the inclusionary and bonus zoning, BCP determined that several other possibilities could be included with this report, capturing both current MOK housing initiatives and incorporating the concepts brought forward by stakeholders and the review of best practices. What follows is the rationale utilized in the development of this series of proposed policies.

5.2 Review of Opportunities within As-of-Right Development

In the design of the basic parameters which regulate planning documents, the appropriate scale of development links in part to lot-size, the presence of supporting infrastructure, and resident expectations regarding the format, function and feel of their community.

The development of the 'maximum permitted units' regulation in each zone is similarly based on both the acceptable density thresholds of Growth Centres and infrastructure factors such as the safety and capacity of parks, roads, water, and sewer services. Increasing the density by any of the policy programs discussed below will help to facilitate more housing. Development bonusing to incentivize increased density may require additional offsetting 'public benefits' to preserve the sense of community character or help communities develop their services to match population growth.

A timely example is the Accessory Dwelling amendments currently being considered in MOK to permit accessory dwellings within Growth Centres. MOK is contemplating a range of accessory dwelling formats that offer different options. Factors such as appropriate dimensions of units, lot sizes, and setbacks are weighing in on the formulation of the Accessory Dwelling amendments.

Permitting Accessory Dwellings would allow for incremental densification of Growth Centres where the public benefit is realized in the form of additional small unit development in the Residential One Unit (R1) and Residential One and Two Unit (R2) Zones. This is often referred to as 'gentle density' since the increase in density is not as visually noticeable as other built forms. Accessory Dwelling Policies are usually designed without a direct density offset to the remainder of the community owing to their limited impact to services and marginal level of change in community character.

In medium density zones such as the Residential Mixed Density (R3) and Residential Multi-unit (R4) Zones, one means of increasing density is to increase the as-of-right maximum residential units per dwelling. Similar to the Residential One Unit (R1) and Residential One and Two Unit (R2) Zones, the public benefit from this form of density increase would be primarily based on the addition of dwellings. Red tape reduction was key theme mentioned in the developer stakeholder session and allowing more density as-of-right was cited as a means to achieve unit creation through a reduction in application processing time. The proposed changes to the Residential Mixed Density (R3) and Residential Multi-unit (R4) Zones would be:

- In the Residential Mixed Density (R3) Zone, to increase maximum number of units per dwelling for multi-unit dwellings and townhouses by an additional 4 units to permit up to 12 units and removing the cap on the number of residential units permitted per townhouse dwelling and the cap on the number of townhouse dwelling permitted on a lot.
- In the Residential Multi-unit (R4) Zones, removing the as-of-right maximum number of units per dwelling for multi-unit and townhouse dwellings to provide additional flexibility in the built form to account for site conditions while permitting development at the same density. Since the development of multi-unit dwellings in the Mixed Commercial Residential (C3) Zone are linked to the Residential Multi-unit (R4) Zone, Staff are also recommending that the unit cap be removed in this zone as well.
- Revise MPS Policy 3.1.10 regarding development agreement criteria for high density residential development.

Recommended Option:

1. Consider changes to as-of-right regime.
2. Revise MPS Policy 3.1.10.

5.3 Bonus Zoning

Bonus zoning is a more interventionist approach to encourage the development of housing with a corresponding increase in complexity at the municipal level. While we are recommending that the development of a bonus zoning policy and program be established as a separate by-law, a review of the key considerations in its development are provided to facilitate conversation.

A policy development framework should include a definition of the specific policy objective(s), the policy program format, a description of the method of determining value and exchange, and a prioritization process for community amenities.

Sample MOK Policy Objective:

To provide a mechanism for encouraging densification in new residential developments in Growth Centres and obtaining community amenity contributions that enhance the community and/or the neighbourhoods expected to absorb the new developments.

Program Format Considerations:

Based on the review of best practices, the following factors are considered as essential to developing the overall incentive program framework for incentive or bonus zoning:

- Determine geographic coverage of incentive zoning regime (Growth Centres for MOK)
- Develop evaluation criteria to determine exchange value and format (discussed below)
- Decide whether contributions (public amenity offsets) are required as physical assets and/or cash-in-lieu
- Incorporate the above considerations in a by-law to guide the Community Amenity Contribution (CAC) fund program

Exchange Value and Format Considerations:

It is important to the credibility of an incentive program to establish a fair and consistent method to determine the added value received by developers with a corresponding value for the community. The Town of Wolfville and Halifax Regional Municipality provide two contrasting examples of how the format for exchange can be established.

To determine the amount of public benefit compensation, the Town of Wolfville uses a bonus area flat rate of \$110/square metre of the gross floor area (adjusted annually for inflation) in exchange for a fourth storey of development.

The Halifax Regional Municipality (HRM) determines the change in property value based on a bonus development proposal and requires independent appraisal. The developer must then pay a percentage of the difference between the property value if developed under the as-of-right zoning and the development under the bonus zoning. The HRM process introduces an additional cost and step to the developer and may be better suited to projects of a larger scale within a development agreement process. Wolfville's flat rate process may be better suited to a MOK bonus zoning program as it is the less onerous of the two processes and can be adjusted to reflect a fair level of exchange.

Prioritizing Community Amenities:

The Municipal Government Act (MGA) frames the trade-off for the provision of bonus density by requiring a corresponding increase in the requirements or actions in the public interest. There is a defined proportional relationship in the creation of additional density and the nature of the amenity provided. Ideally the community contribution should be part of a strategy for creating a higher density area that will need certain amenities over time to support the increased population or address the more immediate impacts on the existing community.

A wide variety of projects or infrastructure can be considered to meet this purpose. In HRM, the acceptable public benefits in the Centre Plan were the subject of significant public consultation, study, and analysis related to implementation. The list of public benefits in the Regional Centre Land Use By-law includes affordable housing, heritage conservation, improvements to municipal parks, community cultural spaces, and public art.

A similar range of programs can be considered in MOK. This can include both bonusing provisions in terms of on-site amenities as part of a development or a cash-in-lieu contribution towards a community amenity contribution fund.

Recommended Options:

- Enable Council to adopt a 'Bonus Zoning By-law' in MPS.

5.4 Inclusionary Zoning

Inclusionary zoning (IZ) offers a policy alternative to incentive or bonus zoning for addressing the availability of below market rate housing within the Municipality. The framework presented below is based on a set of key predictors compiled by Hemson Consulting in their review of potential IZ for urban New Brunswick centres. The key predictors are used to measure the viability of IZ policy for the Municipality. They note that many factors may influence the success of an IZ program, but ultimately it is

the characteristics of the local housing market that will be the main determinant (these factors would also apply to bonus zoning).

Key Predictor	Opportunity/Risk Factors	MOK Status
Consistent Supply of New Housing and Growth	If lack of housing supply is affecting housing affordability, IZ risks constraining new construction and exacerbating affordability challenges.	MOK Housing Needs Assessment will address lack of existing data.
Patterns of Intensification	Permitting intensification can lead to an increase in land values.	MOK region is predominantly single-family detached housing with limited multi-unit development in the Growth Centres; policies support higher density, but abutting property owners may not be as supportive of more intense development at this time.
Land Value and Market Strength	Land values and revenue per unit are reduced through the introduction of IZ. If a housing market is especially weak, this can lead to a decrease in developer investment and the overall production of new housing. On the other hand, a trend of rising land values helps buoy development investment	MOK Developers indicated that land values are generally low and there was limited demand for density and building height; Housing Needs Assessment may provide more information.
Housing Need in the Middle-Income Group	IZ is best suited to address the needs of households earning moderate incomes relative to their community, but who are still unable to afford market level housing prices.	MOK Housing Needs Assessment may provide better data; the general understanding is that all forms of housing are in demand.

Upon consideration of the analysis framework used above and similar reviews conducted in other provinces for measuring the suitability of inclusionary policies, the conditions do not currently exist in MOK to proceed with a mandatory IZ policy.

Namely:

- there is a lack of housing market data specific to Kings County (expected this year from the Provincial Housing Needs Assessment),
- there is too much volatility at this time in the development and housing industry based on macro-level economic fluctuations (demand, housing prices, interest rates, construction labour and supply issues) to be able to establish an effective trend,
- there may be lack of organizational capacity, at the municipal or community level, to manage affordable units.

BCP recommends an enabling policy for IZ in the Municipal Planning Strategy without the specific implementation regulations at this stage. This would allow the municipality to proceed with IZ if or when the conditions are met to allow IZ regulations to be adopted.

Recommended Option:

1. Include IZ policy in MPS with implementation by by-law as conditions permit. The inclusionary zoning by-law would include consideration of factors such as the ratio of affordable to market units, an operational definition of below-market housing, and the management of these units.

6. POLICY REVIEW

Municipal Planning Strategy

Municipal Policy Strategy Section 5.4 describes Council's intention to review and update the MPS under a minor or major review process, and to reflect current trends and circumstances so as to manage existing opportunities and challenges most effectively. The review objective for the Settlement theme is **"to ensure that the policies that guide development of built up areas reflect changing demographics, infrastructure, and market trends"**.

We consider the addition of a new policy topic in the MPS as a major strategy review. Major strategy reviews are required to "to revise or expand the Vision, or to address new topics, which will necessitate a comprehensive public process."

Specific direction is provided in Policy 5.4.3 stating that Council shall:

- 5.4.3 provide opportunities during major reviews for stakeholder and public participation more extensive than that for minor Strategy amendments.

MPS Residential Designation Section 3.1, contains similar language with regard to the need *to adapt to change* while recognizing the importance in maintaining established neighbourhood features. Proposed amendments to Section 3.1 are included as Appendix B to this report and implement the following:

- Adjusting the purpose of the Residential Mixed Density Zone to increase the maximum number of units within a dwelling and enabling Council to consider additional increases without the need for a MPS amendment through amendments to the text of the Land Use By-law;
- Adjusting the purpose of the Residential Multi-unit (R4) Zone to remove the cap on the number of residential units within a dwelling and removing the unit cap within the Commercial Recreation (C3) Zone;
- Adjusting a policy related to the development of high density housing and the expansion of existing mini-home parks. This amendment needs to be revised since the criteria that defines 'higher density' housing is altered due to the elimination of a unit cap in the Residential Multi-unit (R4) Zone. There are housekeeping amendments required related to the expansion of mini-home parks. The balance of MOK's planning documents consider mini-home parks as grouped dwellings which are currently permitted as-of-right in the Residential Mixed Density (R3) and Residential Multi-unit (R4) Zone. As such, requiring a development agreement to expand an existing mini-home park represents an unequal approach to this type of development;
- Adding policies related to housing incentives including bonus zoning and inclusionary zoning; and
- LUB amendments implementing the above.

7. CONCLUSION

The Municipality is currently considering inclusionary zoning as well as incentive and bonus zoning, combined with other policy tools, to allow for increasing the supply of new housing. These policies are designed to encourage densification while balancing the factors which support community character and form. This balance is achieved through a trade-off, in terms of offering community amenity contributions to support the development of additional housing units through bonusing. A careful balance must be struck in terms of the positive and negative impacts of increased density on individual communities. The proposed policy sections are aimed at ensuring that all neighbourhoods can contribute to housing growth.

8. APPENDICES

Appendix A – Discussion Paper

Appendix B – Draft Amendments



A Discussion of the Potential for Inclusionary and Bonus Zoning in the Municipality of the County of Kings
FINAL REPORT



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Acknowledgements

BCP would like to thank the Municipality of the County of Kings staff and officials who made this project possible. We would also like to thank those who contributed their time to the interviews and conversations which have helped provide key information and inspiration for the development of this report.

A Discussion of the Potential for Inclusionary and Bonus Zoning in the Municipality of the County of Kings

May 16, 2023

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This report was prepared by Brighter Community Planning & Consulting.

All pictures in this report were sourced directly from the corresponding municipal websites.

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Executive Summary

This report represents the first step to address the housing supply deficit in the Municipality of the County of Kings (MOK) by considering incentive or bonus zoning as well as inclusionary zoning policies. Incentive or bonus zoning provisions in the Municipal Government Act (MGA) provide municipalities with the authority to relax certain development regulations in exchange for achieving other aspects deemed in the public interest. In 2021, the Provincial Government amended the MGA to give municipalities additional authority to adopt inclusionary zoning policies and regulations. Neither the older incentive or bonus zoning nor the newer inclusionary zoning tools are currently enabled in MOK's planning documents. This discussion paper sets the table for more in-depth conversations on inclusionary, incentive or bonus programs to expediate the creation of new housing and community infrastructure to support increased housing within MOK communities.

The Municipality's role to affect change in the region's growth pattern extends primarily through the provisions and regulations found in its planning documents and its ability to provide the municipal infrastructure and services critical to growth creation. Growth Centre policies found in the Municipal Planning Strategy establish the framework for development by defining acceptable housing forms and maximum unit densities which can be developed as-of-right. The Municipal Planning Strategy incorporates two policy processes that can consider projects that wish to develop beyond the as-of-right limits: site plan approvals and development agreements.

This report incorporates a threefold process for examining how incentive or bonus zoning and/or inclusionary can be considered for MOK: a review of current planning documents, a best practices review, and interviews with key informants and stakeholders. Under the current planning regime, Growth Centres are identified as the locations within the Municipality most appropriate for urban-scale development. Best practices indicate an optimal set of preconditions are required to support incentive or bonus zoning and inclusionary zoning including evidence of a strong housing market and a growing urban population. Developers in the MOK area indicated that incentive or bonus zoning and inclusionary zoning policies are not appropriate or needed in the Kings housing market as the market preconditions are not present. They instead suggested focusing on other aspects of municipal policy, including allowing more density as-of-right and increased use of site plan approvals.

Ultimately, the main policy question returns to determining if and how acceptable trade-offs and palatable changes in Growth Centre character can be accommodated in the pursuit of realizing additional development opportunities. Policies will need to work in concert with existing infrastructure capacity and be modified as infrastructure is expanded.

Introduction

The following report provides an initial framework to examine inclusionary, incentive, and bonus policies related to community development, meaning the infrastructure and spaces that help build complete communities, within the Municipality of the County of Kings (MOK). We focused on the review of best practices for incorporating incentive or bonus zoning as well as inclusionary zoning as strategic policy tools that can be considered by the Municipality to facilitate both broader community development and the development of affordable housing.

Our review starts by discussing key concepts related to inclusionary zoning and incentive or bonus zoning. This is followed by an examination of the existing policy and regulatory landscape within the Municipality to determine how best to consider the new policy tools. We then shift to an analysis of existing best practices in other municipalities. Consultation with key local stakeholders helped to shape the draft policy direction. The key points from the stakeholder sessions provided ensure that draft policies are based on local experience. The report then examines the most common factors that go into the shaping of incentive or bonus zoning and inclusionary zoning policies.

The primary purpose of this report is to act as a starting point for a greater conversation on the strategies and incentives that will support the development of new housing units as well as broader community development within the Municipality.



Figure 1: Key Aspects of Policy Development Process

Recent Municipal Context on Community Development Policies

MOK held special Committee of the Whole meetings in January 2022 which included a staff presentation on housing-related topics. The municipal role in housing was reviewed and a series of eight recommendations were reviewed, grouped into general housing, central service, and density housing sections. Focused discussions on how incentive or bonus zoning and inclusionary zoning could be considered within the full MOK context was held in meetings of both the Planning Advisory Committee and Municipal Council meetings in the summer of 2022.

We note here that there are many policy tools available that municipalities can consider to facilitate the creation of affordable housing and support community development. Each jurisdiction will want to consider their own unique set of community development parameters before establishing their own community development priorities. One example that has

recently been entertained in MOK is permitting accessory dwelling units to increase density and housing options across the Municipality. We recognize the value of a multi-faceted approach to community development; however, the focus of the report will be on how this can be achieved through existing policy tools or through incentive or bonus policies primarily in areas of higher density.

Key Concepts

In considering development incentives, it is important that the Municipality: understand the limits of their legislative authority, follow good planning principles, be fair, clear and consistent, and understand the financial and market impacts. This section provides a brief description of the key concepts that were considered relative to incentive or bonus zoning and inclusionary zoning.

The Role of Data in Setting Attainable Goals

The Province of Nova Scotia initiated the Nova Scotia Housing Needs Assessment in 2022 to provide data on current and projected housing needs for each municipality in the province. Better data will help facilitate a deeper discussion on the housing needs and the types of programs that will best serve the current and future residents of MOK. Our understanding is that the final report will be delivered in 2023.

Without easy-to-use, robust, equity-focused, comparable, and replicable housing need and land assessments at all levels of government, it is impossible to measure progress towards eliminating homelessness and gradually enabling the right to adequate housing for all.¹

When developing policies that affect the housing market and the overall financial viability of developments, it is critical to consider market factors such as land value, construction costs, market price, market rents, and housing supply and demand. To maintain developer interest in the Municipality, proposed incentives must match what the developer needs to make a project's pro-forma (business case) viable. A regular review of policy would better allow the policy requirement to be adjusted based on changing market scenarios, assuming the data is available to support periodic updates. If the intent of the policy is to utilize funding from other levels of government to assist in the maintenance of financial feasibility of development projects, the program steps and process timelines must be made clear to interested developers.

Incentive or Bonus Zoning

Incentive or bonus zoning refers to the practice of allowing developers to build more units than they would otherwise be allowed in specified areas in exchange for providing community amenities such as public parks, recreation facilities, daycares, sidewalks, or affordable housing. It is intended to provide options for the developer to build to the "base" density or to a higher level of density if they provide certain amenities or affordable housing or meet other specified conditions. The developer, by right, always has the option of developing at the base level of density but may consider achieving higher densities if the incentives are attractive.

¹ Housing Research Collaborative, Housing Assessment Resource Tools, 2021

Incentive or bonus zoning can be applied region-wide or only in specific areas, and the delineation of the incentivized areas will in turn affect the location, number, and affordability of units developed. For example, a rented unit located in an area with no transit service or commercial amenities may not be as affordable as a comparable unit located along a transit line or within walking distance of community services, amenities, or employment. Often incentive or bonus zoning is focused in areas with existing infrastructure or amenities which serve to support a higher population density.

Municipalities across Canada have used incentive or bonus zoning provisions to secure affordable housing units or cash-in-lieu that can be used to fund a variety of affordable housing initiatives. However, these schemes have generally had limited success outside of strong urban housing markets. Thus, the market demand for units must be strong enough to make the increased density attractive to developers.

Affordable Housing

The motivation for action on affordable housing is described in Section 4 - Why Now is the Moment - of the Nova Scotia Affordable Housing Commission (NSAHC) report, *'Charting a new course for affordable housing in Nova Scotia'*, (Nova Scotia Affordable Housing Commission, 2021) in which the Commission cites high provincial poverty figures as well as the recent housing market pressures as the most immediate factors underlying the crisis in accessing affordable housing. For rural Nova Scotia, additional demographic factors come into play with a relatively older population and smaller household sizes. The immediacy and magnitude of our current housing circumstances helps drive the need to develop and maintain affordable housing policies and options for all residents, not just for those of greater means.



Figure 2: Housing Continuum

With the current housing crisis, affordable housing deserves special consideration. Specific emphasis will be placed on the policies and tools available to municipalities related to affordable rental and home ownership as well as market rental and ownership (Figure 2). Other aspects of the housing continuum are important to developing the overall housing picture for the Municipality, primarily in conjunction with the Federal and Provincial governments, they are however not included in our scope of discussion.

While inclusionary zoning policies can consider greater or lesser depths of affordability, we will make use of the Canada Mortgage and Housing's definition for affordable housing as a reference point:

*"In Canada, housing is considered 'affordable' if shelter costs account for less than 30% of before-tax household income."*²

The overall housing market is further differentiated between the rental and ownership segments with each having their own market factors to consider and their own distinctions within the affordability lens. Under the assumption that the construction of either type of housing unit is a goal and 'public benefit' unto itself, a further question asks whether incentives to create affordable units are necessary or if the needs of residents are better served through the maximum creation of middle-range housing which may then facilitate the 'filtering effect'³.

The filtering effect describes the tendency for households to trade upward to newer and larger units as their financial conditions improve. Over time, the older vacated units depreciate and become more affordable to lower income households. The lack of available housing options has created conditions in which filtering may not occur as readily, and many renters are challenged to maintain the unit they currently have due to the rapid increase in housing rental costs in the province. This level of nuance within the affordable housing discussion amplifies the need for good local data to support effective policy creation.

Inclusionary Zoning

Inclusionary zoning (IZ) is an affordable housing policy tool to create below-market real estate units that the private market on its own would not produce. IZ has seen greater widespread application in the United States than in Canada, with 886 jurisdictions having IZ programs over 25 states.⁴ In 'The Economics of Inclusionary Development', the authors describe the inclusionary zoning approach as both controversial and complicated:

*Complicated because it aspires to harness the ever-changing dynamics of market-rate real estate development to achieve a fixed policy objective. Controversial because it aims to balance often opposing points of view in communities regarding the roles and responsibilities of the private sector to help meet a public need within a free-market economic system.*⁵

Figure 3 below puts the role of municipal public policy into perspective relative to other factors developers must consider. Incentives that provide additional height, density, relaxed parking requirements, or land at lower than market value are examples of how reduced municipal requirements could work in tandem to provide more favourable conditions (offsets) for developers if they are required to provide affordable units. Many of the policies reviewed in the jurisdictional scan combine aspects of inclusionary zoning with incentives to provide offsets to developers. Notably below, the value of land, the availability of capital, and market-related factors all represent dynamic conditions.

² Canada Mortgage and Housing Corporation, A Guide for Canadian Municipalities for the Development of a Housing Action Plan, nd

³ Liu et al., Geographic and temporal variation on housing filtering rates, 2022

⁴ Thaden & Wang, Inclusionary Housing in the United States: Prevalence, Impact and Practices, 2017.

⁵ Williams et al, The Economics of Inclusionary Development, ULI, 2016.

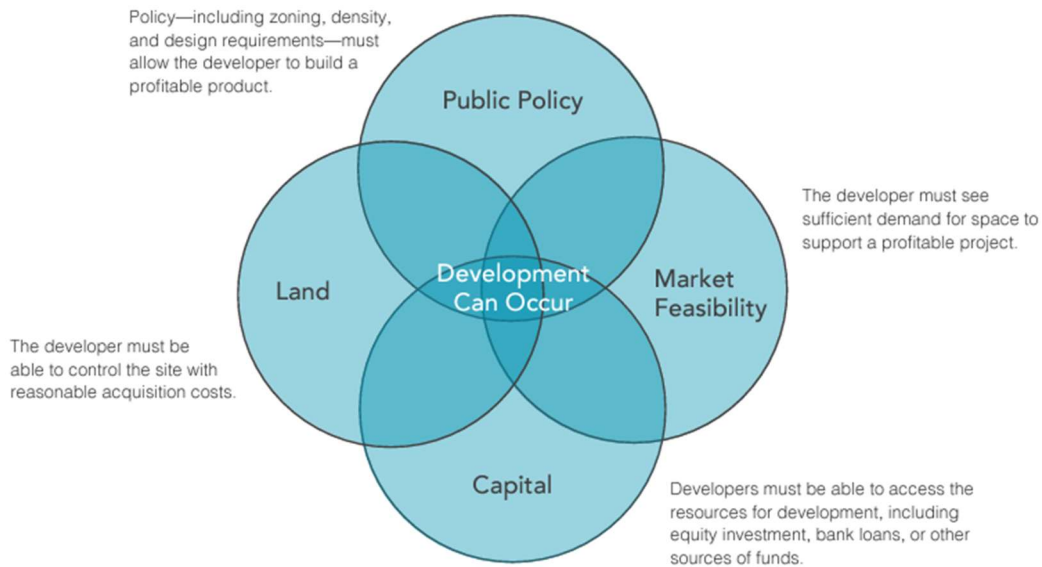


Figure 3: The Economics of Development - from the Urban Land Institute, Williams et al 2016

Density

The MOK Municipal Planning Strategy establishes a form of growth management that focuses most of the future development and density into Growth Centres. When creating policies aimed at increasing the density of neighbourhoods within the Growth Centres, the impacts upon community character and the capacity of existing infrastructure (roads and traffic control, sidewalks, piped services, parks, fire and police) are often at the forefront of public debate. The rate of growth is to an extent controlled by the permitted form, ranging from accessory dwellings to multi-unit developments. The trade-offs between perceived negative aspects of increased density and the actual benefits of new dwelling units could in part be mitigated by permitting housing forms that allow transition from lower density higher density areas.



Figure 4: Missing Middle Housing

The predominant housing form (63.7%) across the province is single-family detached housing (StatsCan 2022). The concept behind ‘missing middle-housing’ (Figure 4) speaks to the lack of housing options that are similar in terms of form and scale to single- detached housing. Missing middle, or gentle density, offers an alternative for starter or affordable housing in a community. Middle-housing forms allow for the effective transition from lower to higher areas of density. One approach to housing policy is to create opportunities within each residential zone to allow all neighbourhoods, even single unit dwelling or R1 zones, to contribute to housing growth.

Trends in Building Height

This report includes a review of five recent higher-density developments occurring outside of urban Halifax Regional Municipality (HRM). This provides an indication of trends in building height and density primarily over the last 2-3 years (Appendix B).

The main takeaway from this review is that:

- Taller developments are being evidenced across the province, no longer just in urban HRM;
- Developers are considering urban design principles to integrate the new scale into existing neighbourhood context; and,
- The time it takes to get approval from Municipalities for taller or more dense buildings is a disincentive for developer. Delays are often caused by local community opposition. However, Municipalities appear open to, and have approved, taller buildings even in the face of public opposition.

Development Economics and Inclusionary Zoning

In formulating an effective IZ policy, it is critical to consider the local economic factors related to land and building development. The factors which influence a region’s housing market are highly context dependent and IZ polices which do not adequately consider the relevant local conditions risk creating an environment which can stifle development. The forthcoming Housing Needs Assessment will provide quality local data to aid in the understanding of the local housing context which in turn will support effective policy.

One of the most important considerations is that an IZ policy which mandates affordable housing units may impact the developer’s financial ability to move forward with a project if the incentive offsets are not sufficient. The below-market housing units without offsets, such as mandated affordable rental units, reduce a portion of project revenues (IZ Revenue in Figure 5) which may in turn reduce land values. This is because ‘land value’ is a function of the potential revenue generated by the land. This ‘land value compression’ effect is shown in Figure 5 below.

Economics of Real Estate Development – Typical Development vs. Inclusionary Zoning

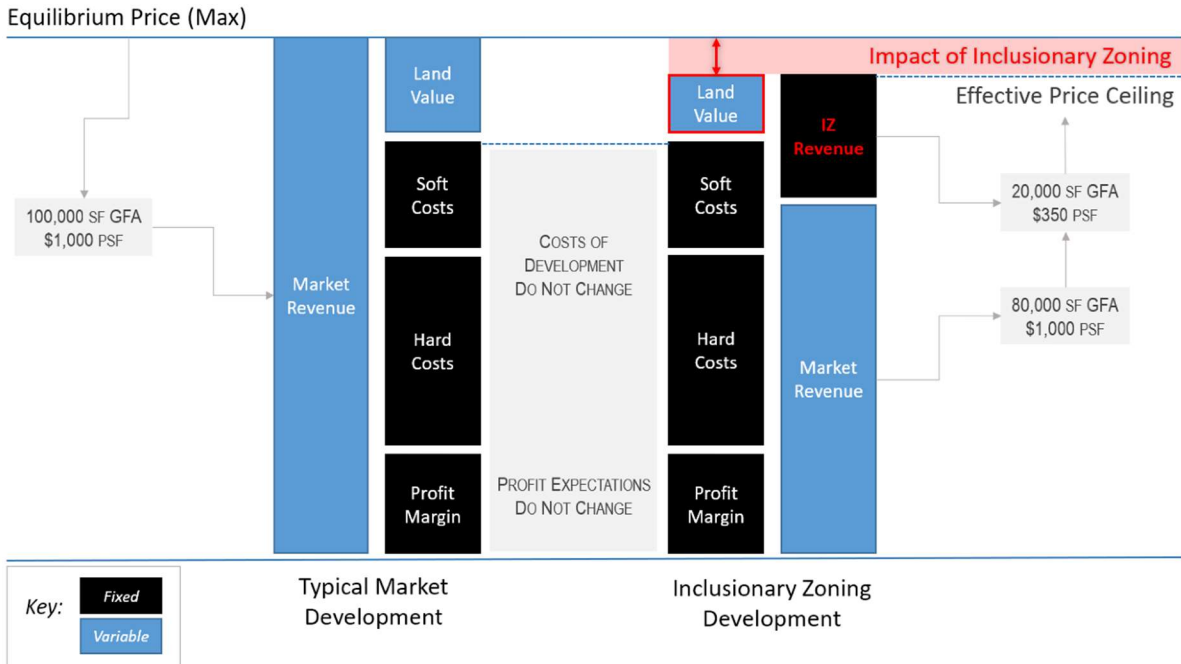


Figure 5: Evaluation of Potential Impacts of an Affordable Housing Inclusionary Zoning Policy from N. Barry Lyon Consulting Ltd.

In a 2022 report prepared by Hemson Consulting Ltd.⁶ for several urban centres in New Brunswick, the authors described a series of market conditions that are best suited to inclusionary zoning. The five indicators were used as a means of assessing and assigning scores to individual urban centres. The City of Fredericton assessment is shown below as an example:

Market for Inclusionary Zoning in Fredericton		
Indicator	Conformity	Note
Consistent Supply and Population Growth	Strong	Experiencing high-levels of growth in population and housing starts
Patterns of Intensification	Medium	Shift towards apartment-type, but modest magnitude in intensification levels
Land Value and Market Strength	Weak	Low land values and low demand for major density from developers. Absent condominium market.
Housing Need in Middle Income Groups	Strong	Municipal reports outline a need for small, affordable apartment units
Overall	Medium	

Figure 6: Potential for Inclusionary Zoning, from 'Inclusionary Zoning Potential in New Brunswick's Urban Communities'

⁶ Hemson Consulting Ltd, Inclusionary Zoning Potential in New Brunswick's Urban Communities, 2022.

The final market score assessed the market readiness or appropriateness for inclusionary zoning policy. The five indicators used to develop the final market score are discussed further below under the recommended policy approach section.

Public Benefits

Public benefits contribute to the attractiveness of a project or a neighbourhood, and typically include aesthetic features, public spaces, and facilities to meet a range of social, cultural, recreational, and infrastructure needs of the community. Some jurisdictions differentiate between development cost charges, which pay for new or expanded infrastructure such as water, sewer, stormwater, parks or roads, and community amenity contributions that target other local amenities such as expansion of fire halls, recreation centres, or libraries and can also be used to help meet housing needs.

New development often brings community or neighbourhood resistance. Existing residents are often concerned about negative impacts of new development, such as the increased number of cars parked on streets, more traffic, obstructed views and changes to community character. Community amenity contributions can help existing residents see tangible benefits from new developments when used to help fund upgrading parks, street art and community centres.

Some municipalities also note a trend in the demand for amenities that relate to a change in urban form. For example, when a single-family neighbourhood transitions towards higher density, backyards are reduced in size or eliminated and residents' expectations for quality outdoor public spaces and other amenities increases. In response, municipalities may turn to community development policies to help pay for these community amenities.

In guidelines produced by the British Columbia Provincial Government⁷, two core principles of 'nexus' and 'proportionality' are highlighted for their role in helping to ensure that fair and reasonable community amenity contribution (CACs) factors are considered.

Amenities adhere to the principle of "nexus" when there is a direct, demonstrable link between CACs and the impacts of the new development. For example, where neighbourhood recreation services are already overcrowded, both the applicant/developer and existing residents are far more likely to support CACs targeted for the expansion of those recreation facilities, rather than for an undetermined project or in another neighbourhood.

The principle of "proportionality" is adhered to when a CAC from an applicant/developer is proportional to the impact that their development generates and consistent with the CACs made by other applicants/developers. Asking an applicant/developer to contribute the lion's share of the costs of a community centre, when the residents of their project would generate minimal usage or where other applicants/developers have not contributed, goes against this principle.

⁷ Province of British Columbia, Community Amenity Contributions: Balancing Community Planning, Public Benefits and Housing Affordability, 2014.

Document Review

This section provides a review of the Municipality's relevant planning documents to determine which policies currently promote the types of intensification that could be considered under an incentive or bonus zoning and inclusionary zoning policy direction.

Municipal Planning Strategy and Land Use Bylaw

The Municipality of the County of Kings adopted a new Municipal Planning Strategy (MPS) in November 2019, after a significant engagement process with the public and coordination with the three Towns within Kings County.

Although the MPS is relatively current, the existing housing crisis emerged just as these planning documents were completed and contains no specific policy guidance regarding affordable housing. The vision statement on 'Settlement' perhaps is the most relevant to the issue of housing, when it talks about, "...enabling and encouraging a diversity of housing throughout the region." The vision statement on 'Healthy Communities' includes as a priority to "...encourage housing that is healthy, affordable, sustainable, adequate, appropriate, safe, and accessible".

The MPS references broader demographic trends including an aging population and the difficulties in retaining youth to work and live in the area. Both trends have a housing related component which are described in terms of increased demand for seniors' housing and quality affordable housing.

The MPS establishes 'growth centres' where development is encouraged, and agricultural and resource areas where development should be less intensive. Rural areas are intended to maintain their character and facilitate development appropriate to a rural community.

Growth Centres (GCs) are the locations that have a greater concentration of infrastructure and services, such as sidewalks and schools, and are connected by bus routes and major roads. There are twelve growth centres delineated within MOK. Kingston, Greenwood, Centreville, Coldbrook, and Port Williams each have their own secondary planning strategy (SPSs) which provides additional development policies. New Minas is currently in the process of adopting a new SPS. In the growth centres of Aylesford, Cambridge, Waterville, North Kentville, Canning, and Hants Border, development is governed primarily through the MPS.

Infrastructure policy regarding Growth Centres makes the connection between the efficient utilization of existing services and supporting urban-scale development:

Policy 2.3.2 - encourage the development of higher density communities in Growth Centres that permit various housing types to increase the efficiency and cost-effectiveness of municipal sanitary sewer and water servicing;

The Residential Land Use Designation section of the MPS identifies the rationale for accommodating new housing development to the Growth Centres with these objectives:

- To accommodate a wide range of housing options, including opportunities for mixed uses and increased densities in areas where urban services are efficient to deliver.
- To discourage urban developments in rural areas by providing a variety of development opportunities within Growth Centres.
- To encourage higher-density development adjacent to main transportation corridors.
- To provide a wide range of housing choices, including affordable housing.

Policy 3.1.2 creates five residential zones which are summarized below:

Zone	Intended Location	Number of Units	Maximum Height
Residential One Unit (R1)	Infill development on GC periphery	2 (main + secondary suite)	35 feet
Residential One and Two Unit (R2)	Infill development on GC periphery	2	35 feet
Residential Mixed Density (R3)	Main GC transportation corridors	8	35 feet
Residential Multi-Unit (R4)	Strategically located near GC transportation routes, employment, shopping	16	45 feet
Comprehensive Neighbourhood Development (R5)	New large-scale neighbourhoods (by development agreement)	>16	Established by DA

Figure 7: MOK Residential Zones

The expansion of existing mobile home parks as a means of supporting affordable housing is considered in Policy 3.4.22. All such expansions are considered through the development agreement process.

The Comprehensive Neighbourhood Development (R5) zone is modelled on the comprehensive development district enabled in Section 226 of the MGA and allows for integrated and comprehensive planning for large scale neighbourhoods through development agreement. The Comprehensive Neighbourhood Development (R5) zone is a natural place to consider inclusionary zoning on a greater scale while the Residential Multi-Unit (R4) zone could be considered as a location for moderate density increases within the context of existing Growth Centres and/or with incentive or bonus zoning.

Secondary Plans

Secondary Plan Area	Main Policy Areas	Housing	Notes
Kingston	Water supply, stormwater, transportation	As per MPS policies	Servicing Maps provided
Greenwood	Sewer, water utility, water supply, stormwater, transportation	As per MPS policies	"
Centreville	Open space, parkland, golf course, transportation, sewer, water utility, water supply, stormwater, signage	As per MPS policies	"
Coldbrook	Environmental open space, water supply & management, resource extraction, agriculture, sewer, stormwater,	As per MPS policies	"
Port Williams	Sewer & water services, floodplain & drainage, commercial zoning, waterfront development, industrial zoning, institutional, transportation, parks,	Policies provide additional considerations for residential development; Additional R5 development agreement considerations	"
New Minas***	Documents at the Province		

Figure 8: MOK Secondary Plan Areas

Kings 2050 Housing Background Report

MOK penned a 2012 housing report to identify key housing topics in preparation for a new Municipal Planning Strategy and Land Use By-law. While giving the regional context for housing and the underlining need for better housing data to shape policies, the report also listed methods of increasing the housing stock. It included:

- The use of as-of-right density bonuses
- Inclusionary zoning requirements for up-zoning
- Review of strategies to remove exclusionary zoning
- Development of policies for affordable housing and/or supportive housing throughout the county
- Consideration of municipal lands for housing purposes

Jurisdictional Scan

Provincial Overview

Provisions made in Section 193 and 194 of the Nova Scotia Municipal Government Act (MGA) allow for specific aspects of the use and development of land to receive additional consideration by the province through the adoption of Statements of Provincial Interest (SPI). Municipalities are required to be reasonably consistent with the SPIs when adopting or amending planning documents.

Of the four provisions of the SPI on housing, three are mandatory and one is discretionary. The three mandatory provisions include requirements to:

- Develop housing policies which address affordable housing, special-needs housing, and rental accommodations. This includes developing definitions of these three areas as well as measuring the supply and need for each and the development of solutions to address each respective need
- Treat group homes as residential
- Provide space/options for manufactured housing

The discretionary provision relates to employing measures, where possible, that enable higher densities, allow for smaller lot sizes, and reduced yard requirements to encourage a greater range of housing types.

The MGA includes provisions for policy and regulations relating to housing policies as follows:

- Provide direct financial assistance to a business for the purpose of increasing the availability of affordable housing (Section 57(4))
- Enter into agreements with the Minister of Community Services or Canada Mortgage and Housing Corporation (CMHC) regarding housing projects or any agency that has similar objectives to that of the CMHC (Section 59(b))
- Provide for incentive or bonus zoning (Section 220 (5)(k))
- Through policy in the municipal planning strategy, the municipality may accept cash-in-lieu of all or any part of affordable housing provisions (Section 223A)

Further, Section 191(g) defines 'incentive or bonus zoning' as: "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".

In October 2021, the Provincial Government released its interim housing plan entitled *A Healthy Nova Scotia: Solutions for Housing and Homelessness* which led to amendments to Section 220 of the MGA as follows:

- Through the land use bylaw, require and regulate the provision of affordable housing through developments including the requirement for a specified number of affordable units (Section 220 (5)(ja))

Other Jurisdictions - Inclusionary & Incentive or Bonus Zoning

The examples provided below demonstrate a variety of approaches to implement inclusionary and incentive or bonus zoning in urban or small towns areas across Canada. While the size of the communities and developments themselves may vary, the approach to developing policies to suit specific urban areas remain similar and are depicted as exemplars for further consideration of policy for MOK.

Town of Wolfville - Height Bonus

In the Town of Wolfville's Land Use Bylaw, a height bonusing provision is included for High Density Residential (R-4), Comprehensive Development District (CDD), Core Commercial (C-1), Core Commercial: Large Format (C-3), and Institutional General (I-1) zones which allows consideration of a 4th storey through a development agreement process based on a set of bonusing criteria. The public benefit criteria include:

- Affordable housing
- Public Art
- High performance building (e.g. passive house, LEED, Net zero, etc.)
- Enhanced accessibility certification (E.g. Rick Hansen Certification)
- Cash-in-lieu to be used for public parks, public streetscapes, social housing, parking, active transportation, etc.



The bonus rate which determines the dollar amount of the public amenity requirement is calculated based on \$110/square metre of gross floor area of the 4th floor and adjusted annually with inflation.

Town of Bridgewater - Density Bonusing

The Town of Bridgewater implemented a density bonusing program in 2014. The strategic bonus provisions permit an additional 20% of the permitted unit density if 50% of the bonus units are managed by a third-party housing provider. The policy is applied to higher density residential zones (see list below) and LaHave (C2), Urban (C3), and Group (C4) commercial zones. Until the recent housing market boom, this program had not been successful in generating units or cash-in-lieu. The program is currently under review.



- 'Affordable housing' is defined as "housing which costs less than 30% of before-tax household income."
- 'Third-party housing provider' is defined as "a government agency, non-profit or cooperative housing organization that manages or owns housing."
- The higher density zones include Comprehensive Residential (R3), Downtown Residential (R4), Medium Density Residential (R5), and High Density Residential (R6)

Halifax Regional Municipality - Density Bonusing Programs

HRM utilizes several different program formats for bonus zoning within the region as follows:

Downtown Halifax	Regional Centre	Future Growth Nodes (Regional Centre)	Future Growth Nodes (outside Regional Centre) *proposed
Amenity based on total gross floor area (gfa) exceeding established height	Amenity based on 20% of new gfa that exceeds 2,000 square metres	Proceeds through the development agreement process	For developments considered through Regional Plan or Secondary MPS amendments
Same rate applied across Downtown Halifax	Rate varies across 7 districts	Independent appraisal process required to determine existing and after property values	Use increase in property value to determine level of public benefit requirement
10 categories of public benefit, primarily on-site	LUB has 5 categories of public benefit; primarily cash-in-lieu	Public benefit determined as a predetermined percentage of increase in property value	Use same public benefit categories as Regional Centre, including the 60% cash-in-lieu for affordable housing fund
	60% of public benefit as cash-in-lieu earmarked for affordable housing fund		

Figure 9: HRM Density Bonusing Programs

Halifax Regional Municipality - Affordable Housing Grant Program



The Affordable Housing Grant Program (AHGP) uses money collected from developments that are required to pay into the Bonus Density Reserve (see table below) to provide grants to registered non-profits or charitable organizations for the development or renovation of affordable housing units. The AHGP only applies to lands within the Regional Centre. Based on feedback from HRM staff:

- The program has yielded relatively few units but did create a significant cash-in-lieu fund.
- This fund has primarily been used to provide rent supplements to keep people in housing rather than resulting in the creation of new units.
- HRM has been reviewing this program as part of its greater effort to provide more housing option in the area.

Town of Comox, British Columbia - Affordable Housing Amenity Contribution Policy

Where rezoning increases the number of units that can be built on a parcel of land, the Town requires 15% land or cash-in-lieu based on the number of additional units. They have developed an Affordable Housing Calculator which developers are required to submit as part of their rezoning application package. Contribution rates are based on the Town of Comox - Affordable Housing Amenity Contribution Policy which is reviewed annually.

- Affordable housing is defined as “where the cost of accommodation does not exceed 30% of a household’s gross income”.
- The Town looks to expend cash-in-lieu contributions collected under this policy either through the purchase or acquisition of units in new developments or through project partnerships with non-profit affordable housing providers.

City of Richmond, British Columbia - Low End Market Rental Program

Richmond developed the Low End Market Rental Program in 2007 as a means of increasing the supply of affordable housing units. The program has different standards for larger and smaller projects and for different areas of the City (within City Centre Plan Area or outside).



cash-in-lieu.

- Rent for affordable units is based on maximum rental rates by income threshold levels
- Developments with more than 60 units are required to provide built units, and the required ratio of affordable units varies by area.
- Developments with 60 units or less are required to contribute cash-in-lieu of affordable units to receive the density bonus.
- Single family rezonings have the option of cash-in-lieu, or including secondary suites in all home on the new lots, or 50% of lots with secondary suites and remainder

City of Victoria - Density Bonusing

A policy example from the City of Victoria's planning documents is provided⁸, and shows the policy considerations considered when approving a project.

- *The additional density should be sound in terms of planning, urban design, and engineering.*
- *Developers must perceive that the additional density is marketable, physically feasible, and financially attractive.*
- *The City, the community, and the developer must perceive that there is a reasonable balance between the extra density that is approved and the amenity contribution that is obtained.*
- *The City must be clear regarding the amenities it wants to achieve and the density it is willing to provide.*
- *Redevelopment sites must trade in the market based on their existing or base density, so that developers can afford to acquire sites and make an amenity contribution. If developers pay for land based on the increased density, they will have difficulty also making an appropriate amenity contribution.*
- *The system should be reasonably predictable, consistent, and easy to implement.*

The city has extended density bonusing provisions in its 2023 Missing Middle Housing regulations which focuses on houseplexes, corner townhouses, and heritage conserving infill forms.

City of Toronto - Examples of Cash-in-lieu Community Benefit Projects

A wide variety of projects or infrastructure can be considered in the support of community amenity development. In the example found in Figure 10 below, the City of Toronto incorporated cash-in-lieu funds obtained through its density bonusing program, to support affordable housing, community aesthetics, transportation infrastructure, as well as several specific priority projects.

⁸ Coriolis Consulting Corp, Proposed Density Bonus System for the Victoria Downtown Core Area Plan, 2010

Section 37 and Section 45 Cash-in-Lieu Community Benefits Secured for Specific Purposes from 2016-2018 in Canadian Dollars

	Number of Community Benefits Secured	Value of Cash-in-Lieu Contributions Secured (millions of Canadian dollars)
Affordable housing including creation of affordable housing and capital improvements to Toronto Community Housing Corporation buildings	33	\$23.919
Parkland and/or park improvements	33	\$18.050
Streetscape improvements on the public boulevard not abutting the site	24	\$14.125
Public agency space including non-profit arts, cultural, community or institutional facilities	20	\$12.852
Community Centers	8	\$10.344
Public Art	8	\$2.934
Conservation of heritage resources	5	\$1.500
Toronto Public Library capital improvements	6	\$1.395
Road, transportation, and pedestrian improvements	9	\$0.976
Non-profit childcare facilities including start-up funding	3	\$0.780
Bike Share Toronto infrastructure	7	\$0.724
Local improvements of transit facilities including pedestrian connections	1	\$0.140
Special Projects: Redevelopment of the Jack Layton Ferry Terminal	1	\$4.000
TOTAL	158	\$91.739

Source: City of Toronto, Chief Financial Officer and Treasurer and Chief Planner and Executive Director, City Planning Division, Planning Act (Section 37 and Section 45) Reserve Funds Statement, 2016-2018

Figure 10: City of Toronto Community Amenity Supported Programs

Key Informant Interviews

Over the first half of November 2022, a series of six 1-on-1 interviews were conducted with key municipal staff as well as citizen and Council members of the Planning Advisory Committee. For each interview, a review of inclusionary and incentive or bonus zoning was used to start each meeting followed by questions on how policies could shape the MOK context. The following points form a summary of the responses:

- Location for the proposed new zones will be important; Growth Centres were the preferred location for additional density based on the existing infrastructure, but there was some support for historical communities outside of Growth Centres having affordable housing readily available.
- The importance of having affordable housing in locations that are within walking distance and with access to employment, amenities, and services.
- There is an equity component in ensuring that all communities have access to affordable housing without residents having to relocate.
- Look to a longer 20-year timeline and consider bolder approaches to achieve inclusive affordable housing.
- Community groups many need capacity building and support to partner with MOK to manage housing units.
- Important to be mindful of the additional administrative requirements for MOK of any potential policy.
- Residents expressed concerns about entering into long-term financial obligations, e.g. holding leases

Stakeholder Workshops

Two workshop sessions were held on December 7, 2022, with private sector development professionals and non-profit community organization representatives respectively. The format for each session was similar; a brief presentation on incentive or bonus zoning and inclusionary zoning followed by a more focused discussion on the potential for community development policy formulation. The developers' forum was used to probe deeper into the factors related to development economics, while the community groups' forum delved into the capacity of organization and participation in potential policy programs. The community groups forum was lightly attended, and no community organizations were present. Two representatives from Nova Scotia Health attended but made it clear that they were not speaking for the community organizations. A general discussion with attendees helped to provide greater understanding of the broader housing context from the Health Board's perspective.

Summary of Development Community Comments

- Area land values are relatively low; this condition does not support densification.
- Density incentives may not effectively offset costs to developers for either community amenities or affordable housing units (e.g., limited interest in additional height)
- Some developers are already utilizing of CMHC programs to create affordable units
- Community amenity development was not seen as developer responsibility because they already pay taxes
- NS Department of Public Works may not support increased density due to the level of service constraints with respect to roads
- Noted other factors contributing to the housing crisis include interest rates, labour & supply constraints, increases in population
- The current timing may not be right to consider incentive or bonus zoning policies.

More immediate priorities include:

- Noting that public support for increased density is often poor and can be adversarial.
- Coordinating with other levels of government to reduce red tape and bureaucracy
- Reducing risk in their process, take politics out of development decision-making.

Aside from incentive or bonus zoning and IZ, short-term policy goals could include:

- Allowing for more units per building, units per acre as-of-right
- Linking incentives to the as-of-right process
- Improving the approval processes

Summary of discussion with Health Board representatives

- Where comments were from only one organization, they should not be taken to represent the voice of the community groups within Kings County.
- The importance of data when discussing housing
- Importance of the participation and experiences of community organizations to help drive solutions
- Incentivizing mixed-use and co-op models may be worth exploring
- Concerns about a lack of big picture coordination

The general sentiment shared on the development of inclusionary and incentive or bonus zoning provisions was not favourable. From the developers' perspective, current housing market conditions were such that the offsets for community amenities would not be able to match the costs of providing the amenity. They noted that they were able to achieve greater density through the existing development agreement process and additional programs were not required. Without community group representation, we are unable to make any conclusions about how community housing organization would view incentive or bonus zoning and inclusionary zoning programs.

Feedback from the engagement sessions focused on other priority areas the Municipality may want to consider as preconditions to further development of incentive policies. All participants expressed the need for greater efforts by the Municipality in finding ways to improve development conditions, which would ultimately result in the creation of more housing units.

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Appendix A - Municipal Authority for Incentive or Bonus Zoning and Inclusionary Zoning

Municipal Authority for Incentive or Bonus Zoning:

MGA s. 191 (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;

MGA s. 220 Content of land-use by-law

(5) (k) provide for incentive or bonus zoning;

Municipal Authority for Inclusionary Zoning:

MGA s.57 (4)

Notwithstanding subsection (2), a municipality may provide direct financial assistance to a business for the purpose of increasing the availability of affordable housing in the municipality. 1998, c. 18, s. 57; 2021, c. 12, s. 1; 2021, c. 33, s. 1.

MGA s.220 Content of land-use by-law

(5)(ja) require and regulate the provision of affordable housing within developments, including requiring that a specified percentage of affordable housing units be provided within a development;

Appendix B - Recent Developments with 5+ Storey Build

Location	Background	Details	Height	Units	Lot coverage	Parking	Lot Area	Gross Density (units per acre)	MPS
54-58 Walker Street, Truro	Multi-unit residential development consisting of one 8-storey building containing 55 dwelling units.	Approved	84-90 ft	55	59%	.72 spaces/unit	17,060 ft ²	144.0	No height regulations. Policy IM-22 states that there must be compatibility of the development with adjacent properties in terms of height, scale, lot coverage, density, and bulk;
306 James Street, Truro	Multi-unit residential development consisting of one 8-storey building containing 79 dwelling units together with 180 m ² (1,938 ft ²) of commercial space.	Approved	8-Storeys	79	48%	1.6 spaces/unit	35,316 ft ²	97.5	No height restrictions. Policy IM-22 states that there must be compatibility of the development with adjacent properties in terms of height, scale, lot coverage, density, and bulk;
557-573 Prince Street, Truro	8-storey, mixed-use development containing street level commercial spaces and 88 residential dwelling units serviced by an underground parkade with 100 parking spaces.	Approved	8-Storeys	88	60% (estimated building footprint) 85% (Estimated total impermeable surfaces post-development) 95% (Estimated total impermeable surfaces pre-development)	1.1 spaces/unit	.9 Acres	97.7	No height restrictions. Policy IM-22 states that there must be compatibility of the development with adjacent properties in terms of height, scale, lot coverage, density, and bulk;
370 Jubilee Road, Bridgewater	construct a master planned community containing 886 housing units in varying housing typologies	Under Review	5-6 Storeys	822 in 9 multi-unit buildings			36.85 Acres	24.0	No height restriction. Compatibility of the development with adjacent properties in terms of height, scale, lot coverage, density, bulk, and architectural style - Up to a maximum of 62 units per hectare (25 units per acre) in accordance with policy IM-6
Canning	Six multi-unit dwellings containing up to 70 residential units each and townhouse dwellings containing up to 22 residential units	Appealed	5 Storeys	442	20%	1.4/unit	22.24 Acres	19.9	No height restriction. Must consists of land uses that are consistent with the intent of the Residential Designation

10. APPENDIX B – DRAFT AMENDMENTS

Amendments to the Municipal Planning Strategy

Delete existing Context section of 3.1 and replace with the following:

Part 3 – Designations

3.1 Residential Designation

Context

Residents in the Municipality have experienced new challenges in terms of both the availability and affordability of housing over recent years. The crisis in housing has affected both the quality of life at the household level and poses serious challenges for economic development as businesses are unable to find housing for new staff.

The approach to the development of new housing differs between designated Growth Centres and Rural Areas in terms of how land is utilized, as well as the scope and scale of development. The location of most new housing in the Municipality is directed to Growth Centres to make best use of existing public investments in urban services and infrastructure and to reflect existing community patterns.

The Municipality will position itself to be an effective actor within the greater housing community. Provisions within the *Municipal Government Act* allow the Municipality to shape policies, regulations, and processes to adapt to changes in the housing market and facilitate the availability of housing options that are affordable.

Council has incorporated a range of policies to incentivize the development of housing units across a variety of formats and scales. As-of-right development permits higher density levels than have been considered in the past to capitalize on the ability of existing infrastructure to accommodate increased residential unit development. This will include controls in the form of development criteria on minimizing the impact to adjacent properties, factors promoting pedestrian safety and walkability, active and vibrant streetscapes, and the availability and capacity of infrastructure. The shorter processing time for as-of-right approvals would be attractive to developers and allow for smaller scale increases that are less risky and costly than larger scale proposals.

Where higher densities are requested, developers will be required to provide community benefits which can be in the form of affordable housing units or contributions to other amenities such as public parks, sidewalks, or recreation facilities to help offset the impact of densification on existing communities.

Council will review and adjust housing policies periodically to reflect the needs of communities and the most current data available.

Delete policy 3.1.2 and replace with the following:

3.1.2 establish the following Residential Zones in the Land Use By-law:

- (a) Residential One Unit (R1) and Residential One and Two Unit (R2): lands located in these zones are intended to maintain existing residential areas while encouraging energy efficiency and providing opportunities for infill development primarily on roads located on the periphery of Growth Centres. These zones are intended to consist primarily of one and two unit dwellings;
- (b) Residential Mixed Density (R3): lands located in this zone are intended to provide a transition between areas of low and high density or on properties that would benefit from flexible development options including a diversity of building forms. This zone is intended to include residential units in a variety of building types at a density consistent with the Residential One Unit (R1) and Residential One and Two Unit (R2) Zones;
- (c) Residential Multi-unit (R4): lands located in this zone are intended for the development of housing in higher density building types in strategic locations such as near main transportation corridors, and near employment and commercial areas. This zone is intended to include residential units at a higher density in a variety of building types.
- (d) Comprehensive Neighbourhood Development (R5): lands located in this zone are intended for integrated and comprehensive planning of new large-scale neighbourhoods by development agreement. Additional policies related to this zone are listed in policies 3.1.13 through 3.1.15.

Delete the contextual text appearing following policy 3.1.8, policy 3.1.9 and 3.1.10 and replace with the following:

High Density Residential Development

Large apartment buildings, beyond the density or height provided for in the Land Use By-law can provide housing options and make efficient use of serviced land. These types of developments can have a significant impact on the surrounding neighbourhood from increased traffic and the visual impact of large or tall buildings. To balance the benefit of increased residential units with perceived negative impacts on the surrounding area, Council will consider proposals for new high density residential development by development agreement.

Policy

Council shall:

3.1.9 deleted

Development Agreements

3.1.10 consider only by development agreement proposals for residential development that exceeds the permitted density or height permitted under the Land Use By-law in the Residential Designation. In evaluating such development agreements, Council shall be satisfied that:

- (a) the proposal has frontage on or near a collector road;
- (b) the design, scale and location of buildings is sensitive to surrounding land uses;
- (c) if the use is a listed, permitted use the condition that prevents the proposal from being permitted as-of-right in the designation is addressed by the development agreement including but not limited to enhanced buffering and the positioning and design of buildings and structures; and
- (d) the proposal meets the general development criteria set out in section 5.3 Development Agreements and Amending the Land Use By-law.

Add to 3.1, following policy 3.1.15:

Affordable Housing and Community Benefit Incentive Policies

The Act provides Council with tools to incentivize the development of community benefits that are not generally provided by private developers. Such benefits often include the provision of affordable housing units. Both bonus zoning and inclusionary zoning can enable Council to take advantage of these benefits in exchange for increased residential density or residential units within a proposed development.

The provision of affordable housing is an important consideration for Council since vibrant and healthy communities include people of all ages and income levels. Changes in living situations such as the breakdown of a relationship, loss or change of job, or other events that may result in the need for more affordable housing should not result in an individual or family having to seek housing outside the community. Incorporating a range of housing at a range of costs can assist in ensuring this is not a necessity.

Bonus zoning is a planning tool, enabled under the Act, that enables the Municipality to require a development to provide public benefits in exchange for certain development requirements being relaxed.

Inclusionary Zoning is an affordable housing policy tool, enabled under the *Municipal Government Act*, which is intended to result in the development of below-market residential units that the private market on its own would not produce at a given location. Inclusionary Zoning can be seen as a type of incentive zoning where the primary public benefit is the creation of affordable housing units wherein the developer of housing is permitted to develop a greater number of units than is permitted as-of-right, provided a portion of the units are charged below market rents for a given period.

Policy

Council shall:

- 3.1.16 periodically review the availability and affordability of housing in the Municipality;
- 3.1.17 support the maintenance and expansion of affordable housing, by:
- a) continuing to work with a wide range of community and private sector stakeholders to monitor and support housing needs in the Growth Centres;
 - b) continuing to work with other levels of government to increase and improve the supply of affordable housing;
 - c) continuing to identify and address barriers to housing affordability;
 - d) supporting new and existing co-operative housing developments as a housing model that encourages community building and local ownership of housing;
 - e) considering the use of surplus municipal land for affordable non-market housing; and
 - f) encouraging the renewal, repair and upgrade of affordable non-market residential units.

Bonus Zoning

The intent of this policy tool is to offset other municipal investments; so that higher levels of permitted density are accompanied by appropriate levels of community amenities and public benefits that support the development of complete communities. Further, this approach seeks to ensure that any public benefits obtained reflect the overall goals and objectives of this Strategy.

To this end, Council intends to incorporate bonus zoning as a mechanism for encouraging appropriate levels of densification in new residential developments while obtaining community amenity contributions that enhance the community and/or neighbourhoods expected to absorb the new developments. The development of a by-law enabling this approach will outline the requirements for considering additional density and corresponding public amenities and fully define the guidelines for the collection and distribution of funds collected through bonus zoning.

Public benefits can include affordable housing, heritage conservation, public art, acquisition and improvements to municipal parks, affordable community cultural indoor spaces, and such other public benefits that may be set out in the By-law. The By-law will establish the public benefits where only cash-in-lieu will be accepted.

Policy

Council shall:

- 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

Inclusionary Zoning is an increasingly popular tool for municipalities as it takes advantage of existing interest in developing housing and incentivizes the development of affordable housing and may or may not include expanded permissions for an increased number of units in the proposed development. Since the affordable housing forms part of an already proposed development, it can also contribute to income diversity within residential developments, further contributing to the development of complete communities.

Policy

Council shall:

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.

Amendments to the Land Use By-law

Delete 4.5.1 Zone Purpose

Replace with the following text:

The purpose of the Residential Mixed Density (R3) Zone is to accommodate a mix of housing forms in a variety of built forms at a density similar to the Residential One Unit (R1) and Residential One and Two Unit (R2) Zones, per policy 3.1.2 (b) of the Municipal Planning Strategy.

Delete 4.5.2.1 and replace with the following:

4.5.2.1 Permitted Uses

The following uses shall be permitted in the Residential Mixed Density (R3) Zone subject to all applicable requirements of this By-law, including Section 14 – General Regulations.

RESIDENTIAL USES	SPECIAL CONDITIONS
Grouped Dwellings	
Mini-home Parks – Existing	Subject to the Municipality of Kings County Mobile Home Parks By-law #36 or any successor document
Multi-unit Dwellings	Maximum 12 residential units per dwelling

One Unit Dwellings	Subject to the requirements applicable to One & Two Unit Dwellings in section 4.4.3
Residential Facilities	Up to 25,000 sq ft. gross floor area
Semi-detached Dwellings	Subject to the requirements applicable to Semi-detached Dwellings in section 4.4.3
Townhouses	Maximum 12 residential units per dwelling
Two Unit Dwellings	Subject to the requirements applicable to One & Two Unit Dwellings in section 4.4.3

NON-RESIDENTIAL USES	SPECIAL CONDITIONS
Agricultural Uses – Existing	Subject to the requirements of the Agricultural (A1) Zone
Community Facilities	Maximum 10,000 sq ft. gross floor area and subject to section 4.5.4.1
Indoor Recreation Uses	Permitted on properties that abut and are accessed from a designated collector road and subject to section 4.5.4.1. Maximum 10,000 sq ft. gross floor area
Places of Worship	Maximum 10,000 sq ft. gross floor area

Delete 4.6.1 and replace with the following:

The purpose of the Residential Multi-unit (R4) Zone is to encourage compact neighbourhood development in strategic locations such as along or near main transportation corridors and near employment and shopping destinations by accommodating a variety of medium density housing forms, such as multi-unit dwellings within Growth Centres, as per policy 3.1.2 (c) of the Municipal Planning Strategy.

Delete 4.6.2.1 and replace with the following:

4.6.2.1 Permitted Uses

The following uses shall be permitted in the Residential Multi-unit (R4) Zone subject to all applicable requirements of this By-law, including Section 14 - General Regulations.

RESIDENTIAL USES	SPECIAL CONDITIONS
Grouped Dwellings	
Multi-unit Dwellings	
One Unit Dwellings	Subject to the requirements applicable to One & Two Unit Dwellings in section 4.4.3
Residential Facilities	Maximum 50,000 sq ft. gross floor area
Semi-detached Dwellings	Subject to the requirements applicable to Semi-detached Dwellings in section 4.4.3
Townhouses	
Two Unit Dwellings	Subject to the requirements applicable to One & Two Unit Dwellings in section 4.4.3

NON-RESIDENTIAL USES	SPECIAL CONDITIONS
Agricultural Uses – Existing	Subject to the requirements of the Agricultural (A1) Zone
Business Offices	Section 4.6.4.1
Community Facilities	Section 4.6.4.2
Indoor Recreation Uses	Permitted on properties with access to a designated collector road and subject to Section 4.6.4.2
Medical and Dental Clinics	Section 4.6.4.1

Places of Worship	
Retail Stores	Section 4.6.4.1

Delete 5.5.2.1 and replace with

5.5.2.1 Permitted Uses

The following uses shall be permitted in the Mixed Commercial Residential (C3) Zone subject to all applicable requirements of this By-law, including Section 14 – General Regulations.

RESIDENTIAL USES	SPECIAL CONDITIONS
Grouped Dwellings	
Multi-Unit Dwellings	Subject to the requirements applicable to Multi-Unit Dwellings in section 4.6
One Unit Dwellings	Subject to the requirements applicable to One & Two Unit Dwellings in section 4.4.3
Residential Facilities	Up to 50,000 sq ft. gross floor area
Residential Units in Commercial Buildings	Located above, behind or below ground floor commercial uses
Semi-detached Dwellings	Subject to the requirements applicable to Semi-detached Dwellings in section 4.4.3
Townhouses	Subject to the requirements applicable to Townhouses in section 4.5
Two Unit Dwellings	Subject to the requirements applicable to One & Two Unit Dwellings in section 4.4.3

NON-RESIDENTIAL USES	SPECIAL CONDITIONS
Agricultural Uses - Existing	Subject to the requirements of the Agricultural (A1) Zone
Arts and Cultural Centres	
Business Offices	
Community Facilities	
Crematoria	
Day Care Facilities	
Domestic Animal Grooming	Section 14.3
Dry-cleaning Depots	
Educational Facilities	

NON-RESIDENTIAL USES	SPECIAL CONDITIONS
Equipment Rental	
Fixed Roof Overnight Accommodations	
Funeral Homes	
Goods and Services Shops	
Household Item Repair Services	
Indoor Recreation Uses	
Laundromats	
Medical and Dental Clinics	
Personal Service Shops	
Places of Worship	
Restaurants	
Retail Stores	
Veterinary Clinics	Section 14.3
Visitor Information Centres	

Delete section 14.3.3 and replace with:

14.3.3 One Dwelling Per Lot

No more than one dwelling shall be permitted on a lot, except in the Residential One Unit (R1) Zone, the Residential One and Two Unit (R2) Zone, the Residential Mixed Density (R3) Zone, the Residential Multi-unit (R4) Zone and the Mixed Commercial Residential (C3) Zone.

Add section 14.3.5A, below, following section 14.3.5:

14.3.5A Accessory Dwellings

One accessory dwelling shall be permitted per lot in all Residential Zones and the Mixed Commercial Residential (C3) Zone. Accessory dwellings shall be subject to the zone requirements for accessory buildings, including height, unless the entrance to the accessory dwelling is located in the side or rear yard in which case a 10 foot setback shall be maintained between the lot line and the building wall containing the entrance. The Accessory Dwelling shall be required to have one dedicated parking space on the lot.