

Re: Item No. 12.1

HALIFAX

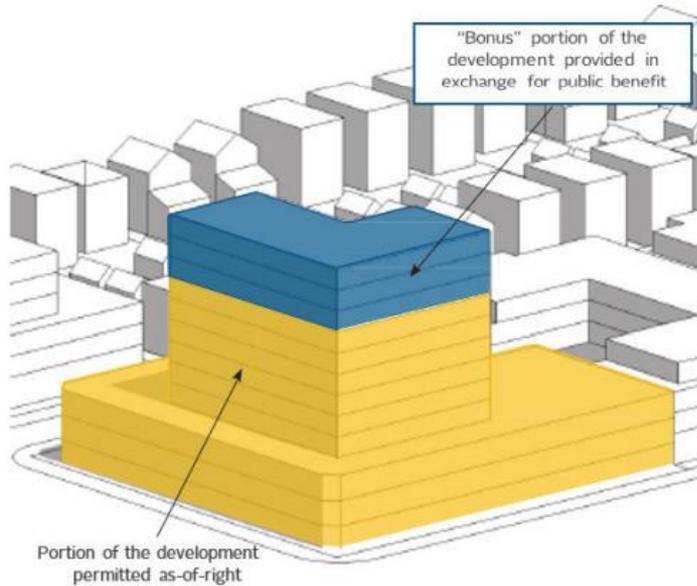
**Case 24063: Interim
Incentive or Bonus
Zoning Program outside
of the Regional Centre**

Regional Council Public Hearing
2023-03-21

Background

- Incentive or Bonus Zoning allows the Municipality to require public benefits that contribute to the public realm and livability of the area in exchange for increased development permissions
- Interim Bonus Zoning process initiated through the 2021 [Themes and Directions Report](#) of the Regional Plan Review
- In Nov. 2021 Regional Council adopted a public participation program for this process

Current Bonus Zoning Toolbox



- Downtown Halifax: Pre and post bonus heights
- Centre Plan: 20% above 2,000 sq. metres of floor area based on average land values
- Centre Plan Future Growth Nodes: 12% of appraised bare land value at the development agreement stage

Why Interim Bonus Zoning?

- To test the approach in suburban and rural areas before suburban and rural plans
- Plan amendment applications often result in increased development rights
- To tie new development rights to public benefits & increase livability of an area
- To provide access to the Bonus Zoning Reserve outside of Regional Centre



Community Engagement

- Regional Plan Review
- Project website
- Stakeholder Engagement

- Key feedback:
 - Support for connecting growth to affordable housing & bonus zoning
 - Beneficial to expand non-profit grants to more areas
 - Use more tools to support affordable housing
 - Impact the overall costs of development

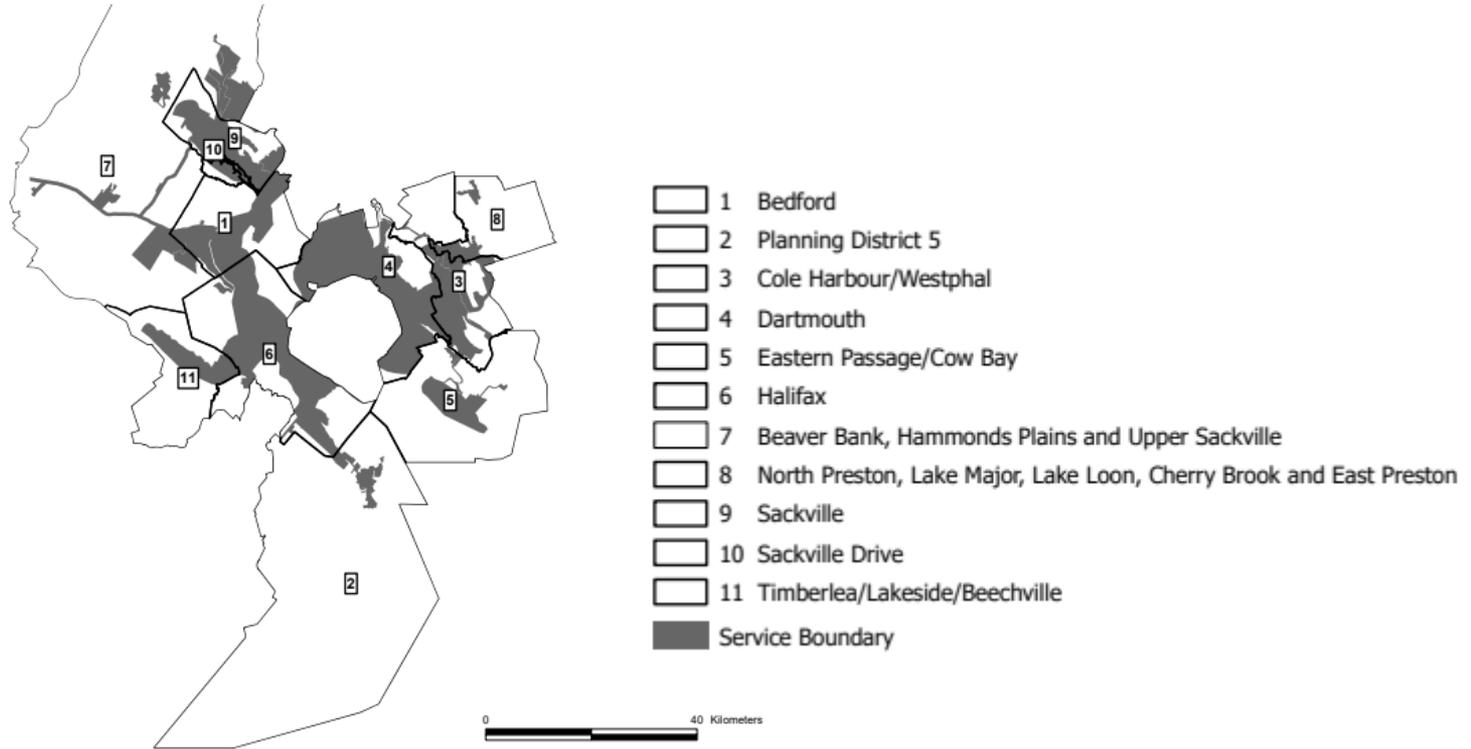


Proposed Approach

Apply Interim Bonus Zoning Requirements to:

- Regional/Community MPS amendments in the Urban Service Area for new multi-unit residential, commercial or mixed-use developments, or for increases to permitted density; and
- Future Serviced Communities identified in Regional Plan Policy S-1 (e.g. remaining lands include Morris-Russell Lake Secondary Plan, Sandy Lake, and the Highway 102 west corridor adjacent to Blue Mountain - Birch Cove Lakes Park).

Proposed Area of Application



0 40 Kilometers

Public Benefits

- Affordable housing
- Heritage protection
- Community cultural uses
- Municipal park improvements or land acquisition
- Public art

On-site: Bonus Zoning Agreement

Money-in-lieu: at Development Permit Stage

Bonus Zoning Reserve: Grant programs

Calculation of Public Benefits

- Adopt similar approach as Centre Plan public benefit value:
 - Include \$/square metre land values in each of the 11 LUBs based on Turner Drake land valuation study (2022)
 - **Sites < 10 ha:** 20% of floor area over 2,000 square metres based on set land values
 - **Sites > 10 ha:** 12% of site-specific appraisal similar to Future Growth Nodes
- Adopt exemption for developments by non-profit or charitable organizations that have a mandate to provide affordable housing where the development includes a minimum of 60% of housing.

Rural Areas

Most rural areas not included in proposed amendments due to:

- limited densification in areas not serviced by central water and sewer;
- rare multi-unit residential development applications;
- environmental constraints;
- most plan amendment applications address minor housekeeping issues vs significant increases in density; and
- further consideration can be included in the Rural Plan or Phase 5 of the Regional Plan Review

Proposed updates to AO2020-007-ADM and AO2020- 008-ADM can expand the use of incentive or bonus zoning funds to all areas of the Municipality, including suburban and rural areas.

Results of Bonus Zoning

- \$4.3 M in Bonus Zoning Reserve since 2020
- Bonus Zoning policies linked to the Affordable Housing Grant Program (AHGP)
 - Within the Regional Centre
 - 2 projects funded in 2021/22 AHGP
 - Received 9 proposals for the 2022/2023 AHGP



Proposed Amendments

- **Regional Plan:** Regional Plan Policies G-16A to G-16G enable the bonus zoning framework for future plan amendments
- **Land Use By-laws:** new Interim Bonus Zoning Appendix and Schedule to track future amendments added to 11 LUBs that overlap with the Urban Service Area
- **Types of applications:** regional & community plan amendments
- **Administration:** staff will need to return with amendments to AOs
- **Exemption:** non-profit and charitable organizations that develop housing

Recommendations

It is recommended that Halifax Regional Council:

1. Adopt the proposed amendments to the Regional Municipal Planning Strategy and applicable Land Use By-laws, as set out in Attachments A and B.
2. Direct the Chief Administrative Officer to:
 - (a) draft amendments to Administrative Order 2020-007-ADM, the Incentive or Bonus Zoning Public Benefits Administrative Order, and Administrative Order 2020-008-ADM, Grants for Affordable Housing Administrative Order, to update the permitted use of money-in-lieu funds as outlined in the Discussion section of this report to all areas of the Municipality; and
 - (b) return to Council for consideration of these amendments upon provincial approval of the amendments set out in Attachments A and B.