

This document was created using best practices in document accessibility. Should you need assistance reading or understanding this document, call 902-543-8181 or email info@modl.ca.

Policy & Strategy Committee Meeting Agenda

Tuesday, December 16, 2025 – 9:00 a.m.

MODL Council Chambers, 10 Allée Champlain Drive Cookville NS

- 1. Call to Order**
 - 1.1. Mi'kma'ki Territorial Acknowledgement
- 2. Announcements, Acknowledgements, Recognition**
- 3. Public Input (15 Minutes)**
- 4. Changes/Approval of Agenda (as circulated)**
- 5. Approval of Minutes – November 18, 2025 (as circulated)**
- 6. Business Arising from Minutes**
- 7. Presentations/Scheduled Times - Nil**
- 8. Referral from Committees/Council - Nil**
- 9. Staff Reports**
 - 9.1 Planning & Development Services**
 - 9.1.1 Municipal-Wide Land Use Planning: Direction Discussion #3 1-11
 - 9.1.2 Public Input
- 10. Mayor's/Deputy Mayor's/Councillors' Matters**
- 11. Added Items – Nil**
- 12. In Camera**
 - 12.1 Contract Negotiations under Section 22(2)(e) of the MGA
 - 12.2 Contract Negotiations under Section 22(2)(e) of the MGA
- 13. Adjournment**



The Municipality of the District of Lunenburg

Direction Report

Report to: Mayor and Municipal Council
Submitted by: Planning Staff
Date: December 16, 2025
Re: Municipal-Wide Land Use Planning – Council Direction Report #3

Introduction

The purpose of these reports is to support informed decision-making by identifying where policy adjustments may be warranted before preparing Draft #2 of the Municipal Planning Strategy (MPS) and Land Use By-law (LUB). Planning staff have outlined several options for each topic from which Council may provide direction to guide the preparation of Draft #2. The anticipated release of Draft #2 is in February 2026. This will be followed by a final round of public information sessions prior to adoption and submission to the province for final approval.

Tiny Homes

Background Info

The Nova Scotia Building Code Regulations define a tiny house as a dwelling unit that is 37m² or less in building area. A tiny house can be built on site, or it can take the form of a manufactured or modular home and may or may not be on a permanent foundation.

There is a Provincial Statement of Interest on Housing, the goal of which is to provide housing opportunities to meet the needs of all Nova Scotians. Among other provisions, it states that municipal planning documents must provide for manufactured housing. It also states that planning documents must include housing policies addressing affordable housing, special-needs housing, and rental accommodation.

A tiny house could be constructed on-property, manufactured or modular. Manufactured homes are non-motorized homes built to a certain standard (CSA A277 or Z240 building standards) that come on their own chassis and wheels that can be removed. This differs from recreational vehicles. The CSA A277 is a certification standard that is used to certify the building complies with the National Building Code as adopted by the provinces.

A modular home means a finished section or sections of a complete dwelling unit built in a factory for transport to the site for installation and certified to CSA A277, Procedures for the Factory Certification of Buildings, by an accredited certification body at the time of manufacture, before it is placed on the installation site. Unlike manufactured homes, modular homes are almost always placed on permanent foundations.

A tiny house, regardless of its form, could be treated as a dwelling unit and permitted wherever residential uses are allowed. This was the approach used in Draft 1, though tiny houses were not explicitly mentioned in the Municipal Planning Strategy or Land Use By-law.

Feedback

During public engagement over the summer of 2025, we heard that residents wanted land use planning to promote a variety of housing options to meet different housing needs. Residents spoke about the need for diverse housing options, including recreational vehicles, tiny homes, off grid living, cluster housing, and more. Residents were largely advocating for improved housing affordability, but some forms of alternative housing options sparked concern about septic systems.

Potential Policy Direction: Tiny Homes

Options

Council could direct staff to:

- 1. Treat tiny houses as dwelling units and permit them as of right in zones that permit residential uses. (Minimum planning).** Staff can include language on tiny houses in the Municipal Planning Strategy and Land Use By-law to clarify that they are a permitted type of housing to be treated like all others.
- 2. Treat tiny houses as their own separate use and regulate them differently from other dwelling units.** Staff could establish a set of regulations to ensure that tiny houses have adequate septic systems and are placed on a permanent foundation, among other aspects.

Planning staff recommend **Option 1**. Option 1 aligns with the general approach taken wherein all dwelling units are treated equally. This would not drastically change the approach proposed in Draft 1, but by mentioning tiny houses in the Municipal Planning Strategy, it would make it clearer that Council intends to permit tiny houses. Option 2 might unfairly discriminate against tiny houses and add a layer of unnecessary complexity that would create additional barriers for residents trying to access different forms of housing.

Short-Term Rentals

Overview

Short-term rentals are regulated by the Province under the *Short-term Rentals Registration Act*. According to this legislation, the duration of a short-term rental is a period of 28 consecutive days or less. The legislation establishes three classes of hosts:

- Whole primary residence short-term rental host
- Commercial short-term rental host
- Traditional tourist accommodation host

Hosts must register their rental under the *Act*. The registration process requires acquiring confirmation from the municipality that the accommodation complies with applicable municipal land-use by-laws.

At present, municipal staff issue letters to hosts stating whether their accommodation falls within a planned area (and whether the use is permitted in that planned area) or an unplanned area.

The Land Use By-law for the Osprey Village Secondary Planning Area regulates short-term rentals in certain zones. For example, in the Medium Density Residential Zone, short-term rentals must operate within the principal dwelling of the host. For clarity, this means that the host cannot rent out the entire unit for a short-term rental. Additionally, the number of rental rooms devoted to the use in the unit shall not exceed three in number. The Osprey Village Secondary Planning area also restricts cooking equipment in rooms used for sleeping.

On December 9, 2025, Council directed staff to incorporate a Mixed Use Serviced Zone into the zoning framework for Draft 2 of the Municipal Planning Strategy and Land Use By-law. This Zone will be applied to the unplanned parts of Osprey Village and align with the already existing Osprey Village Secondary Planning Strategy and Land Use By-law. As a result, Council may wish

to regulate short-term rentals in the Mixed Use Serviced Zone to a similar extent as the Osprey Village Secondary Planning Strategy.

In Draft 1, Tourist Accommodations were permitted as-of-right in most zones that permit residential uses up to a certain threshold (7 to 12 units). In the proposed Mixed Use Serviced Zone in Draft 1, 4-to-6 units and 7-to-12 tourist accommodation units were proposed to be permitted as-of-right.

Feedback

During the public engagement sessions over the Summer of 2025, planning staff asked residents to indicate their level of agreement with the following statement: We need to study the impact that short term rentals (AirBNBs, etc.) are having on our housing market. Out of 182 participants, 43% strongly agreed, 25% agreed, 15% were neutral, 8% disagreed, 5% strongly disagreed, and 3% were not sure.

Comments in response to the statement revealed mixed perspectives on AirBNBs. There were some concerns stating that AirBNBs detract from the housing supply. For example, one person said: "Limit AirBnb to on property residents. Loss of affordable fulltime rentals is at a crisis point". Others noted the important role that AirBNBs can play in promoting economic development. Another person said: "AirBNB only one factor causing housing crisis. Rules should focus on large business with multiple homes not small operators with 2 or less".

Potential Policy Direction: Short-term Rentals

Options

Council could direct staff to:

- 1. Permit short-term rentals in all areas that permit residential uses without regulating them further. (Minimum planning).** This would not place any limitations on short-term rentals throughout the Municipality.
- 2. Permit short-term rentals in all areas that permit residential uses but regulate them in the Mixed Use Serviced Zone in alignment with the Osprey Village Secondary Planning Strategy.** This would restrict entire units from being used for short-term rentals and would allow no more than three bedrooms in any unit to be rented.

Staff recommend **Option 2**. With the creation of a Mixed Use Serviced Zone, it will be important to maintain consistency with the Osprey Village Secondary Planning Area. Osprey Village should reflect cohesive development, and as a prime location for housing density, prioritizing rental

housing for locals over short-term rentals for tourists is essential. This is because it has been observed by residents and all levels of government in Canada that the comparative success of the short-term rental market is reducing the availability of long-term rentals, thereby impacting rental prices.

Public Health Setbacks

Overview

Nova Scotia Health Authority (NSHA) was one of the stakeholders that planning staff met with during the summer of 2025 to seek input on the land use planning project. NSHA shared research highlighting the importance of creating setbacks and buffers between sensitive land uses such as schools and hospitals and the sale and production of regulated substances like cannabis, tobacco, and vaping products. According to NSHA, setbacks can minimize the exposure of youth and vulnerable populations to harmful advertising, products, or behaviors associated with substances like tobacco or cannabis.

Feedback

As the public engagement activities over the spring and summer of 2025 were quite general, staff did not receive much public feedback on this specific topic. Much of the feedback we received related to the general provisions in Draft 1.

Potential Policy Direction: Public Health Setbacks

Options

Council could direct staff to:

- 1. Not establish setbacks between institutional uses and uses that include the sale or production of substances such as alcohol, tobacco, and cannabis.** This would not require development that involves the sale or production of substances (alcohol, tobacco, cannabis, etc.) to be set back from institutional uses such as schools or hospitals.
- 2. Require that a new development involving the sale or production of substances such as alcohol, tobacco, and cannabis be set back from existing institutional uses at a distance that aligns with public health best practices (eg. 300m or similar).**

Option 2 is recommended. Although residents indicated a desire for minimum planning, public input also reflected the fact that people want to live in healthy, thriving communities where kids can play safely and grow up to stay and work in the area. Staff would create a new

definition for this category of retail because Draft 1 does not distinguish between types of retail stores.

Open Space Dedication

Background Info

Open space dedication, often called parkland dedication, is a tool used during subdivision to ensure that growing communities have access to parks, trails, and recreational spaces. As development increases, so does demand for public amenities. Open space dedication allows a portion of land (or an equivalent cash-in-lieu contribution) to be set aside at the time of subdivision, helping ensure that the costs of new parks and open spaces are shared with growth rather than falling entirely on existing taxpayers.

Historically, MODL has accepted cash-in-lieu equivalent to 2% of the land being subdivided which is well below the 10% maximum permitted under the *Municipal Government Act* and the 5% contribution typically required by municipalities across Nova Scotia and Canada. As MODL's communities continue to grow, aligning open-space dedication rates with development activity will be increasingly important to support parks, trails, and recreation infrastructure.

In MODL, Council may accept land dedication when it is usable, publicly accessible, at least 5% of the subdivision area, and located on a waterfront. When land is not suitable, cash-in-lieu of land is collected and used strategically to acquire or enhance open spaces consistent with the Open Space Strategic Plan.

Council may wish to consider adjustments to open-space dedication requirements to better support community livability, respond to higher-density development, and ensure that growth contributes proportionally to MODL's open-space network.

Feedback

Feedback frames showed strong support for ensuring adequate parkland in new developments. Of the 169 responses, 57.4% strongly agreed and 24.3% agreed that parkland should be provided, with only 1.8% disagreeing and 3.6% strongly disagreeing; 13% were neutral. Comments emphasized the importance of having places for residents "to roam and play," described green spaces as valuable community assets, and highlighted the need for trail and park connectivity and proper maintenance. One respondent suggested that cash-in-lieu should be replaced entirely with mandatory land dedication.

Regarding increasing parkland fees, feedback was more mixed. Out of 146 responses, 22.6% strongly agreed and 26% agreed, while 24% were neutral, 9.6% disagreed, and 13% strongly disagreed; 4.8% were unsure. Many comments noted the value of parks but expressed concern about increasing developer fees during a housing crisis. Several respondents asked for more clarity about how fees are calculated, used, and governed.

Potential Policy Direction: Open Space Dedication

Open space dedication ensures that as new subdivisions are created, appropriate land or equivalent funds are secured to support parks, trails, and recreational amenities for current and future residents. This approach helps maintain community livability, distributes the cost of growth more equitably, and supports the goals of MODL's Open Space Strategic Plan. Adjusting open space dedication requirements can influence the amount and quality of public land available in growing communities, affect the financial contribution expected from developers, and shape how MODL acquires and maintains parkland over time.

Options

Council could direct staff to:

- 1. Maintain the Current Requirement (2% Cash-in-Lieu or Land Dedication):** Council may choose to retain the existing open space dedication rate, which requires subdividers to provide either: 2% cash-in-lieu, or 2% usable land (in limited circumstances), consistent with **minimum planning** requirements.
 - Under this option, MODL would continue its current practice. This approach would maintain predictability for subdividers, particularly in rural areas, but would provide limited resources for expanding or enhancing the municipal open space network as the population grows.
- 2. Increase Open Space Dedication to 5% in All Areas:** Council may choose to increase the dedication requirement across the Municipality so that all subdividers must provide: 5% cash-in-lieu, or 5% usable land, regardless of designation or location. MODL would have the final determination whether to accept land or cash-in-lieu.
 - This option aligns MODL with the standard practice in many Nova Scotia municipalities and provides a moderate increase in funding or land for parks, trails, and open spaces. It offers improved support for the Open Space Strategic Plan while applying a single, consistent standard across all development areas.
- 3. Increase Open Space Dedication Requirements (Land or Cash-in-Lieu):** Council may direct staff to increase open space dedication requirements for new subdivisions, using a tiered approach based on growth areas and rural areas:

- **Cash-in-Lieu Dedication:** When cash-in-lieu is collected, subdividers would be required to contribute 10% of the assessed value of the new lots within the Growth Centre (Osprey Village) and Hamlet designations.
 - In all other designations, subdividers would be required to contribute a minimum of 5% of the assessed value of the new lots.
- **Land Dedication:** When land is dedicated instead of cash, subdividers would be required to dedicate a minimum of 10% of the land being subdivided within the Growth Centre and Hamlet designations, provided the land meets the criteria in Section 9.2 of the Subdivision By-law for acceptable open space.
 - In all other designations, subdividers would be required to dedicate a minimum of 5% of the land being subdivided.

Staff recommend that Council proceed with Option 3 — the tiered open space dedication model. This option aligns open space dedication requirements with anticipated growth patterns, ensuring that higher-density areas contribute more significantly to the municipal open space network while maintaining proportional requirements in rural areas. A tiered model also better reflects the increased demand for parks, trails, and recreational amenities that accompanies growth in designated centres, while still providing an appropriate contribution from lower-density communities.

Overall, this approach supports the goals of the Open Space Strategic Plan, ensures that parkland contributions are scaled to the level of development, and helps growing communities secure the land and funding needed to maintain high-quality public spaces without placing the full cost on existing taxpayers.

Signage

Background

Signage plays an important role in supporting both economic development and tourism. It is crucial for businesses as it helps attract customers, and it also assists in wayfinding and providing information to both locals and visitors. While signage can be a valuable tool for advertising and placemaking, it can also create safety concerns and even take away from the visual aesthetic of a place if the signs themselves are unsuitable or incompatible with their surroundings. Examples of this can include brightly lit signs impacting traffic, having multiple signs advertising a single business in a residential neighbourhood, or having inconsistent sign designs that do not align with the existing character of a particular place or building.

While signage requirements can help to ensure that signs are appropriately used, overly detailed signage regulations can unnecessarily burden business owners and residents. Given the rural nature of the municipality, signage requirements may not be necessary everywhere. However, it may make sense to have some level of requirements for signage in certain areas where additional oversight is needed. For instance, as the municipality develops an Enhancement Plan for Osprey Village, implementing signage requirements in this area could help support a cohesive streetscape with unified elements, contributing to a clear vision for development.

For clarification, the municipality does not have jurisdiction over signs located within highway right-of-ways. While many signs are often found along roads or at intersections, municipal signage requirements related to land use planning would apply only to land beyond road corridors.

Feedback

Limited feedback was received on the topic of signage requirements. While some comments were made concerning home-based businesses that included some signage provisions, there was limited feedback that specifically addressed the signage section of the draft documents.

Potential Policy Direction: Signage Requirements

Signage requirements can help guide the aesthetics of an area by promoting consistent and cohesive design elements. Draft 1 took an approach where signage requirements would apply only to the Mixed Use Serviced Zone and the Hamlet Zones. This approach addressed factors such as the number of signs, electronic signs, and limited certain signage elements dependent on the zone. Outside of the more built-up areas, signage throughout the municipality would have largely been unregulated.

As many communities throughout MODL possess unique heritage character, signage guidelines can help to maintain this character which can be compromised when new signs are too modern or inconsistent with the existing historical landscape. Draft 1 included basic design guidelines for new historical building signage, intended to encourage the use of historic elements, when possible, to preserve historic character. These would be recommendations and not mandatory, offering businesses suggestions on how to best complement historic elements of their communities.

Draft 1 also included general provisions for signage. These included prohibited signs in all zones, permitted signs in all zones, and some requirements around the illumination of signs in all zones. These general provisions are mainly focused on safety and are similar to those found in Land Use Bylaws of other municipalities.

Options

Council could direct staff to:

1. To have no signage requirements that apply anywhere in the municipality.

This approach would mean that no general provisions for any signage or design guidelines for historical buildings would be included in the plan. It would also mean that signs in all zones would not be subject to any signage requirements.

2. To include general provisions for signage and signage design guidelines for historic buildings, but to not have specific sign requirements for certain zones.

This approach would include general provisions for signage that cover prohibited signs, permitted signs, illumination of signs, as well as design guidelines for historic buildings that apply to the entire municipality. However, it would not include additional signage requirements for specific zones.

3. To include general provisions for signage, signage design guidelines for historic buildings, and to have specific signage provisions that apply to certain zones.

This approach would include general provisions for signage that cover prohibited signs, permitted signs, illumination of signs, and historic guidelines for signage in all zones. It would also include specific signage requirements that apply to some areas including the Mixed Use Serviced Zone (the un-zoned areas of Osprey Village) and the hamlet/village zone.

Staff recommend option 3 – To have general provisions for signage that apply to all zones, and to have additional signage requirements that apply to certain zones. Specifically, the Mixed Use Serviced Zone, and the communities that are zoned as a hamlet/village.

Including municipal-wide general provisions for signage would help to promote safety and provide clear guidance to residents on signage, while also supporting consistency with other neighbouring municipalities. Historical design guidelines for signage would encourage the use of historic elements where appropriate. As these would be guidelines rather than requirements, they would not be mandatory to follow. Implementing specific signage requirements in the more built-up areas would help to preserve existing character and guide new development in way that aligns with established communities.

Report Preparation	
Department	Planning and Development Services
Report Prepared by	Planning Staff
Report Approved by	Reid Shepherd, LPP, MCIP
Date Reviewed by C.A.O.	