

# HAF Agreement and Action Plan Summary Ottawa, Ontario

## Summary of Agreement Targets and Funding

*Status as of February 18, 2025*

<b>Overall Permitted Unit Targets (3 years)</b>	<b>37,586</b>
Units expected without HAF (baseline)	<b>33,137</b>
Units incented by HAF (HAF-incented)	<b>4,449</b>
Municipality's 10-year unit projection	<b>32,609</b>

<b>Permitted Unit Targets with Breakdown</b>	<b>Total Target</b>	<b>Year 1 Forecast</b>	<b>Year 1 Progress</b>
Housing Supply Growth Target	<b>37,586</b>	<b>11,961</b>	<b>10,610</b>
<ul style="list-style-type: none"> <li>• Multi-Unit housing units in close proximity to rapid transit</li> </ul>	23,590	<i>Note: there are no annual forecasts for different unit types.</i>	8,240
<ul style="list-style-type: none"> <li>• Missing middle housing units</li> </ul>	4,680		1,233
<ul style="list-style-type: none"> <li>• Other multi-unit housing units</li> </ul>	2,638		153
Affordable Housing Units	2,067		662

### HAF Funding Schedule and Explanatory Notes:

The total funding envelope for HAF recipients is based on the number of HAF-incented units, as described in Section 10 of the Pre-Application Reference Material. Advances are disbursed annually, subject to compliance with the terms and conditions of the HAF agreement.

Total funding eligibility	\$176,323,293
Annual advance amount	\$44,080,823

CMHC has reviewed Ottawa's first annual report and noted that Year 1 permitted units are moderately lower than forecast. Given Ottawa's strong progress toward completion of their action plan and permitting levels that are trending close to forecast, we expect that Ottawa's unit permit levels will catch up in Years 2 and 3. As such, we are satisfied that Ottawa is meeting its commitments under the HAF agreement, and the second advance will be made in full.

## Summary of Initiatives and Milestones

### Initiative 1: High-Density Housing Around LRT Stations

Pre-zoning for additional density and introducing inclusionary zoning around transit stations.

- Updates to the zoning by-law in proximity to transit stations will implement, building heights and densities that are transit-supportive.
- Ottawa will implement inclusionary zoning to require affordable housing in new developments near transit.

Initiative	Due Date	Status
<b>Transit Oriented Zoning Amendments and Inclusionary Zoning</b>	<b>2025-12-31</b>	<b>On Track</b>
Milestones	Due Date	Status
Engage Consultants to Study and Prepare Zoning Amendments	2023-10-25	Completed
Rezoning Transit Areas Report to Council	2023-10-25	Completed
Implementing Zoning in new Secondary Plan Areas	2025-02-28	On Track
Prepare Requisite "Assessment Report" for Inclusionary Zoning	2025-06-30	On Track
Inclusionary Zoning Adoption and Implementation	2025-12-31*	On Track

\*Milestone dates related to Inclusionary Zoning were extended due to uncertainty of timing of provincial regulations related to IZ, which also pushes the initiative completion date.

### Initiative 2: Increasing Zoning Permissions to Allow for Multi-Unit Intensification

Encouraging neighbourhood intensification by allowing additional units on residential lots without the need for rezoning.

- The City will encourage gentle density by permitting three units per lot as-of-right. The City will build on this by advancing 4-units per lot as-of-right through the new comprehensive zoning by-law (see Initiative 8).
- Ottawa will promote the use of public and active transportation by not requiring parking for the additional units in multi-unit infill projects.

Initiative	Due Date	Status
<b>Increasing Zoning Permissions to Allow for Multi-Unit Intensification</b>	<b>2023-11-22</b>	<b>Completed</b>
Milestones	Due Date	Status
Rezoning Report to Council	2023-10-11	Completed
Public Engagement and Consultation	2023-11-15	Completed

**Initiative 3: Affordable Housing Community Improvement Plan**

Incentivizing developers to include non-market affordable rentals in new residential developments.

- Ottawa will introduce an Affordable Housing Community Improvement Plan to provide financial offsets for developments that include affordable rental units.
- This initiative will incentivize affordable units in new developments containing 15 units or more across the city, including existing neighbourhoods close to rapid transit and essential community amenities.

<b>Initiative</b>	<b>Due Date</b>	<b>Status</b>
<b>Affordable Housing Community Improvement Plan (AHCIP)</b>	<b>2024-12-31</b>	<b>Completed</b>
<b>Milestones</b>	<b>Due Date</b>	<b>Status</b>
CIP and By-law Development	2024-04-30	Completed
CIP Implementation	2024-12-31	Completed

**Initiative 4: Conversion of Vacant Office Space into Housing**

Streamlining and accelerating the approvals process for conversion projects to promote housing supply and help revitalize parts of Ottawa that can accommodate greater residential density.

- This initiative includes proactive zoning amendments to address common issues with conversions and planning and regulatory enhancements to support a faster and less expensive conversion process.
- The City will conduct a feasibility analysis to assess the need for additional financial offsets to promote conversions.

<b>Initiative</b>	<b>Due Date</b>	<b>Status</b>
<b>Office to Residential Conversion Pilot</b>	<b>2024-03-31</b>	<b>Completed</b>
<b>Milestones</b>	<b>Due Date</b>	<b>Status</b>
Office to Residential Conversions Strategy Approved by Council	2023-11-08	Completed
Office to Residential Conversions Strategy Stakeholder Engagement	2023-11-22	Completed
Implementation of Zoning Requirements	2024-03-31	Completed

**Initiative 5: Accelerate Disposal and Preparation of City-owned Lands for Housing**

Leveraging the City’s land development real estate portfolio to maximize housing development, with a focus on affordable housing opportunities.

- Ottawa will develop a new strategy for faster disposal of City-owned lands for residential development, including consultation with non-profit providers on existing and upcoming land needs.
- After identifying lands that are well-suited for residential development the City will proactively rezone sites to reduce the permitting process and speed up housing delivery.

<b>Initiative</b>	<b>Due Date</b>	<b>Status</b>
<b>Accelerate Disposal and Preparation of City-owned Lands for Housing</b>	<b>2025-02-01</b>	<b>Completed</b>
<b>Milestones</b>	<b>Due Date</b>	<b>Status</b>
Disposal Strategy Development and Council Approval	2024-09-01*	Completed
Implementation	2025-02-01	Completed

\*The milestone date was extended due to staffing constraints, but the overall initiative completion date remained unchanged.

**Initiative 6: Affordable Housing Pipeline Strategy**

Streamlining the affordable housing development pipeline and providing capital funding for shovel-ready non-market housing projects.

- Ottawa will streamline the process used to manage, advance, and prioritize affordable housing projects in the development pipeline to reduce barriers to shovel-readiness.
- This initiative will help address funding gaps for non-profit housing projects to significantly reduce the backlog of supportive and affordable housing developments.

<b>Initiative</b>	<b>Due Date</b>	<b>Status</b>
<b>Affordable Housing Pipeline Strategy</b>	<b>2024-12-01</b>	<b>Completed</b>
<b>Milestones</b>	<b>Due Date</b>	<b>Status</b>
Project Kickoff, Development, and Council Approval	2024-05-01	Completed
Implementation	2024-12-01	Completed

## Initiative 7: Streamline Planning Approvals

Speeding up the planning approvals process.

- This initiative includes additional staff, shorter commenting periods, and increasing delegated authority to staff for minor zoning by-law amendments.

<b>Initiative</b>	<b>Due Date</b>	<b>Status</b>
<b>Streamlining Planning Approvals</b>	<b>2025-03-01*</b>	<b>Completed</b>
<b>Milestones</b>	<b>Due Date</b>	<b>Status</b>
Finances for Streamlining Secured from Council	2023-06-14	Completed
Report to Council on Streamlining Process	2023-06-14	Completed
Delegated Authority to Staff for Minor Zoning By-law Amendments	2025-03-01	Completed

\*The initiative completion date was extended by approximately 4 months to include implementation within the project scope.

## Initiative 8: Comprehensive Zoning Bylaw and Digital Twin Tool

Transforming Ottawa’s planning approach increasing housing options and flexibility across neighbourhoods, and encouraging the development of complete, walkable communities.

The new comprehensive zoning bylaw will:

- Introduce reforms that focus on the form and scale of residential buildings in relation to the lot, rather than the number of dwellings inside the building (Form-based Zoning).
- Create more flexibility around density, building envelope and land uses to reduce the need for zoning bylaw amendments and minor variances.
- Simplify zoning rules to allow at least four units per residential lot to promote missing middle options, including multiplexes and low-rise apartments.
- Transform the City’s approach to parking including rethinking parking minimum requirements, introducing maximum parking limits, and developing EV parking requirements.
- Develop a digital twin – a new 3D modelling tool – to enhance consultation and improve analysis for faster approvals.

<b>Initiative</b>	<b>Due Date</b>	<b>Status</b>
<b>New Comprehensive Zoning By-law and Digital Twin Tool</b>	<b>2025-12-23</b>	<b>On Track</b>
<b>Milestones</b>	<b>Due Date</b>	<b>Status</b>
Publication of Discussion Papers and Consultation	2024-02-28	Completed
Council receives 1st draft (March 2024) of the zoning bylaw (including on the 4 units as-of-right citywide) to initiate consultation throughout 2024	2025-01-31	Completed
Council receives 2nd draft (March 2025) of the zoning bylaw (including 4 units as-of-right citywide) to initiate consultation until end of summer 2025	2025-09-30	Not Started
Council Adoption of New Zoning By-law	2025-12-23	Not Started

**Initiative 9: On-Site Stormwater Management Tool**

Improving stormwater management on residential lots to relieve pressure on municipal infrastructure and remove barriers to missing middle intensification.

- The City will develop best practices and guidelines for how to manage on-site stormwater runoff. These guidelines will focus on missing middle developments with 10 or fewer residential units.
- Consultation with industry stakeholders will take place to ensure the viability of proposed solutions.

<b>Initiative</b>	<b>Due Date</b>	<b>Status</b>
<b>Development of an On-Site Stormwater Management Tool</b>	<b>2025-12-31*</b>	<b>On Track</b>
<b>Milestones</b>	<b>Due Date</b>	<b>Status</b>
Study Viability of On-Site Stormwater Solutions	2023-10-01	Completed
Consult with Industry Stakeholders on Recommended Approach	2024-06-01	Completed
Report to Council on Recommended Approach and Implementation Measures	2025-12-31	On Track

\*The completion date was extended by approximately 18 months to provide additional time to implement the approach required by the Infrastructure Master Plan.