

**Subject: Updated Ottawa Community Lands Development Corporation Name,
Mandate, Policies and Procedures**

File Number: ACS2023-PRE-CRO-0011

**Report to Planning and Housing Committee on 15 November 2023
and Council 22 November 2023**

**Submitted on November 1, 2023 by Peter Radke, Secretary and Chief Operating
Officer, Ottawa Community Lands Development Corporation**

**Contact Person: Dhaneshwar Neermul, Program Manager, Disposals and
Strategic Development**

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Ward: Citywide

**Objet: Mise à jour du nom, du mandat, des politiques et des procédures de
la Société d'aménagement des terrains communautaires d'Ottawa**

Numéro de dossier : ACS2023-PRE-CRO-0011

Rapport présenté au Comité de la planification et du logement

Rapport soumis le 15 novembre 2023

et au Conseil le 22 novembre 2023

**Soumis le 1 novembre, 2023 par Peter Radke, Secrétaire et chef de l'exploitation,
Société d'aménagement des terrains communautaires d'Ottawa**

**Personne ressource: Dhaneshwar Neermul, Gestionnaire de programme,
Alinéations et développement stratégique**

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Quartier: À l'échelle de la ville

REPORT RECOMMENDATION(S)

That the Planning and Housing Committee recommend Council:

- 1. Approve a change in name of the Ottawa Community Lands Development Corporation to Build Ottawa and the amended objects as outlined in this report and the form of Articles of Amendment attached as Document 1; and**
- 2. Approve the amended policies and procedures outlined in this report and attached as Document 2.**

RECOMMANDATION(S) DU RAPPORT

Que le Comité de la planification et du logement recommande au Conseil :

- 1. de prendre connaissance du Rapport annuel et des états financiers vérifiés de 2022 de la Société d'aménagement des terrains communautaires d'Ottawa, présentés en pièce jointe comme document 1;**
- 2. de déléguer des pouvoirs au chef des finances afin qu'il nomme un vérificateur responsable de la Société d'aménagement des terrains communautaires d'Ottawa pour l'exercice 2023.**

EXECUTIVE SUMMARY

This report recommends approval to change the name of the Ottawa Community Lands Development Corporation to Build Ottawa and approve amended mandate and policies and procedures. The 2022-2026 Governance Report directs staff to provide an update as to how OCLDC handles the identification and delivery of surplus land and development opportunities for new affordable housing projects.

The current mandate will be modified to prioritize the sale and/or redevelopment of surplus lands for affordable and attainable housing when all lands are being evaluated for potential disposal. The Disposal of Real Property Policy will be amended to require all surplus lands be evaluated for their suitability to accommodate residential development and provide an option to dispose of property at less than market value or an alternative financing model if the parcel is developed for Affordable Housing. The level of affordable housing will also be examined in determining optimal value, as pertaining to both financial and non-financial community value.

As part of this additional focus, a rebranding of OCLDC, including a name change to Build Ottawa, and the amended mandate and policies and procedures have been accepted by OCLDC Board of Directors.

RÉSUMÉ

Il est recommandé dans le présent rapport d’approuver le changement de nom de la Société d’aménagement des terrains communautaires d’Ottawa, qui deviendrait Bâtir Ottawa, et d’en approuver le mandat, les politiques et les procédures modifiés. Le Rapport de gouvernance 2022-2026 enjoint au personnel de faire le point sur la manière dont la SATCO gère la désignation et l’attribution des terrains excédentaires et des possibilités d’aménagement au regard des projets de logement abordable.

Le mandat actuel sera modifié afin de prioriser la vente et/ou le réaménagement des terrains excédentaires destinés aux projets de logement abordable, une fois tous les terrains évalués en vue d’être cédés. La Politique sur l’aliénation des biens immobiliers sera modifiée de manière à rendre obligatoire l’évaluation de tous les terrains excédentaires en considération de leur adaptabilité à un aménagement résidentiel, et à offrir une option de cession des biens-fonds à un prix inférieur à la valeur du marché ou un nouveau modèle de financement si la parcelle est destinée à être occupée par des logements abordables. Le niveau d’abordabilité des logements sera en outre examiné afin de déterminer une valeur optimale relativement aux objectifs communautaires financiers et non financiers.

Dans le cadre de cette nouvelle orientation, un changement d’image de la SATCO, qui verrait son nom devenir Bâtir Ottawa, ainsi que la modification du mandat, des politiques et des procédures ont été acceptés par le conseil d’administration de la SATCO.

BACKGROUND

The [2022 – 2026 Council Governance Review](#) report, approved by City Council on December 7, 2022, provided a governance structure for the City of Ottawa (the “City”) for the current term of council. Part three, recommendation five, of the Governance Review directs Ottawa Community Land Development Corporation (“OCLDC”) staff to report to Planning and Housing Committee as well as Council to provide an update as to how OCLDC handles the identification and delivery of surplus land and development opportunities for new affordable housing projects.

The OCLDC was created and approved by Ottawa City Council on October 10, 2007 and is incorporated as a municipal services corporation. The OCLDC provides an implementation vehicle to clearly separate the City’s land ownership and real estate development role as a corporate entity under the *Corporations Act* from its planning authority role as the Municipality under the *Municipal Act* and *Planning Act*.

The 2007 Council approved mandate of the OCLDC set out to ensure the commercially

oriented and orderly disposition of strategic surplus City real properties with optimal value to the City's taxpayers. In carrying out this mandate, "optimal value" is to be understood as pertaining to both financial and non-financial community value. The disposition of properties can be sensitive to local neighborhoods and the overall community objectives, as approved by Council in the City's Strategic Plan, and local real estate market conditions.

The OCLDC was created as a vehicle for the City to achieve other municipal objectives and by having some involvement through the development control process rather than selling off properties and then attempting to introduce requirements like urban design, sustainable measures and social and cultural benefits. In all cases, the City maintains the decision-making function of determining what properties are transferred to the corporation for development.

The objectives of the OCLDC are to promote and undertake community improvements in the City. This is accomplished through planning, subdividing and developing or redeveloping sites owned or held by the OCLDC for residential, industrial, commercial, institutional, public, recreational, religious, charitable and other uses.

DISCUSSION

This report addresses the direction from City Council for the OCLDC to modify its current mandate by prioritizing the sale and/or redevelopment of surplus lands for affordable and attainable housing when all lands are being evaluated for potential disposal. As part of this additional focus, a rebranding of OCLDC, including a name change to Build Ottawa has been accepted by OCLDC Board of Directors. This repositioning of city land by the OCLDC requires amendments to the Corporations' mandate and Disposal Policy.

The OCLDC was formed to manage the City's role and interest in City-owned development projects. The OCLDC ensures the corporation obtains optimal community value for development projects with City interest. Value is measured using the four pillars of sustainability: financial, social, environmental, and cultural. Affordable Housing has typically been included under the "social" pillar, however, going forward, the new mandate will place more emphasis on using surplus land to further this objective. For sites that are not suitable for affordable housing due to incompatibility with surrounding uses or Official Plan Policy direction, these sites will be used to further the other three objectives of the corporation.

Existing OCLDC Mandate and Objectives

The OCLDC was established to promote and undertake community enhancements in

the City of Ottawa to improve, beautify and maintain municipally owned land, buildings and structures for the benefit of the community by:

1. Planning, subdividing and developing or redeveloping sites owned or held by the corporation for residential, industrial, commercial, institutional, public, recreational, religious, charitable or other uses;
2. Constructing, operating, maintaining, owning and/or providing facilities for amusement, culture, heritage, parking and public transportation;
3. Acquiring, holding, selling, leasing or disposing of sites;
4. Other complementary activities.

OCLDC continues to achieve its mandate, which is to enhance communities by improving and enhancing municipally owned land through the four pillars. In support of this mandate, the City's Corporate Real Estate Office (CREO) is continually working to improve processes to ensure that OCLDC is efficient and effectively working to achieve its mandate.

The core business of the OCLDC is unlocking value in the City of Ottawa's real estate portfolio through strategic development. The focus of the OCLDC activities is to determine the development potential of these assets and to work with CREO on the due diligence and transfer processes to optimize that development potential. The OCLDC and CREO work collaboratively to identify opportunities within the City's real estate portfolio for development and added value. To this end, the OCLDC has identified assets that have been earmarked for disposal or development and to market these assets to achieve the Corporation's four pillars.

The OCLDC and the City use a collaborative approach for the transfer of lands currently held by the City. This approach allows the OCLDC to pre-plan and implement development strategies for lands and proceed with actual transfers at a future date once the City's disposal process is complete with respect to each parcel. This process entails circulation to relevant City Departments to determine if the parcels have corporate and/or operational needs, before being declared surplus by City Council and transferred to the OCLDC. Properties that are no longer required for City programming or operating purposes are transferred to OCLDC with development objectives approved by Council to achieve optimal value. The OCLDC also generates community and financial value for the City of Ottawa through the sale of properties.

Since its inception and under the current mandate, the OCLDC has been successful in supporting the development of over 2,800 residential units through the sale of surplus lands. The Corporation has also produced over \$108M in revenues for the City and

directed over \$6.2M to the city's Affordable Housing and Land Fund.

Proposed Build Ottawa Mandate and Objectives and Articles of Amendment

To better address the Affordable Housing emergency in the City of Ottawa as well as to ensuring the work of the OCLDC reflects the current city needs, the OCLDC mandate is being updated. The proposed updates are to ensure the most effective use of city real estate assets through the disposals process with "optimal value" for the City's taxpayers. "Optimal value" is to be understood as pertaining to both community and economic benefits.

Build Ottawa's mandate is to support the advancement of affordable housing across Ottawa. Accomplishing this mandate will be achieved through two tracks utilizing City-owned lands. One track involves identifying and preparing City-owned lands for the development of affordable housing. A second track focuses on generating revenue for affordable housing initiatives from the disposal of non-residential City-owned lands.

The objectives of Build Ottawa will be to continue to promote and undertake real estate development that results in land uses that benefits the community and fulfills the highest priority needs of the City and its residents including affordability.

The objects for which the OCLDC is incorporated are being amended to:

1. To advance the development of affordable housing in the City and to promote and undertake community improvements in the City generally, including but not limited to:
 - a. planning, subdividing and developing or redeveloping real property owned or held by the Corporation for residential, industrial, commercial, institutional, public, recreational, or other uses;
 - b. owning, constructing, operating, maintaining, and/or providing facilities or entering into agreements for the construction, operation, maintenance and/or provision of facilities;
 - c. acquiring, holding, selling, leasing or disposing of real property;
 - d. entering into agreements, including but not limited to development agreements and subdivision agreements;
 - e. undertaking or conducting studies, research and design work;
 - f. conducting public marketing and advertising real property for sale; and
2. To undertake other activities consistent with these objectives.

Build Ottawa is committed to accomplishing these objectives across the City of Ottawa with the application of an affordable housing lens on its surplus lands. To this end, Build Ottawa, in consultation with the City's Housing Services Branch, will prioritize the development of housing, especially affordable rental homes with a mix of unit types and sizes, catering to a diverse range of incomes, including deeply affordable homes. In addition, the Director of the City's Housing Services Branch has been added as an ex-officio member of the Board.

In connection with the forgoing amendments to the objects of the OCLDC, the Articles of Amendment attached as Document 1 will be presented to City Council for approval by special resolution subject to approval by the Board of the OCLDC.

The Articles of Amendment will come into effect after certification by the Ministry of Public and Business Service Delivery in accordance with the Ontario *Not-for-Profit Corporations Act*.

Articles of Amendment

The Council approved mandate of the OCLDC is to explore opportunities to prioritize, prepare and leverage City Real Property to be made available to advance the goals of affordable housing and to ensure the commercially oriented, orderly disposition of selected surplus City Real Property with Optimal Value to the City's taxpayers. In carrying out this mandate, "Optimal Value" is to be seen as pertaining to both financial and non-financial community value. The disposition of such Real Property will be sensitive to local neighbourhood and/or overall community objectives, as approved by Council in the City's Strategic Plan for this term of Council, and local real estate market conditions.

In connection with the amended mandate, the OCLDC will amend its letters patent by filing articles of amendment to update the corporate purposes of Build Ottawa to include affordable housing, and amend the bilingual corporate name of OCLDC from "Ottawa Community Lands Development Corporation"/"La société d'aménagement des terrains communautaires" to "Build Ottawa"/"Bâtir Ottawa".

Additionally, it is necessary for Build Ottawa to specify the size or the range in the size of the Board in the course of filing articles of amendment. The form of Articles of Amendment will provide for a minimum of five (5) and a maximum of nine (9) directors on Build Ottawa's board. Finally, it is necessary to update the special provisions in the letters patent when filing articles of amendment in order to comply with the Ontario *Not-for-Profit Corporations Act*.

Proposed Build Ottawa Policies and Procedures

In accordance with the [2022 – 2026 Council Governance Review](#) and given the renewed emphasis on the creation of more Affordable Housing at the federal, provincial and municipal levels of government, existing legislation and policies are being modified at all levels to increase and promote more Affordable Housing. The OCLDC's Disposal of Real Property Policy is proposed to be amended as follows:

1. Amend the General section to:
 - a. require that all surplus lands be evaluated for their suitability to accommodate residential development; and
 - b. provide an option to dispose of real property at less than market value or an alternative financing model if the parcel is developed for Affordable Housing.
2. Amend the Achieving Optimal Value section to:
 - a. specify that although compensation offers will be reviewed in relation to the current market value of the real property, market value will not be the sole determinant in establishing optimal value;
 - b. require that the level of affordable housing be examined in determining optimal value.

The updated Policies and Procedures are attached as Document 2.

Conclusion

The implementation of the amended mandate and policies by Build Ottawa will be under the guidance and advice of the Office of the City Clerk and Solicitor. The Build Ottawa Board of Directors will have the ability to refer any matter that does not comply with the attached policies to City Council for a decision and direction. The policies will also be reviewed at the start of each term of Council, or as required.

FINANCIAL IMPLICATIONS

If approved, the mandate of the Corporation will be updated to prioritize the sale and/or redevelopment of surplus lands for affordable and attainable housing when all lands are being evaluated for potential disposal. Property may be disposed at an alternate value than market value as approved by the Board of Directors of the Corporation when affordable housing is being proposed. Revenue to the City will be impacted when properties are disposed at a price lower than market value.

LEGAL IMPLICATIONS

There are no legal impediments to adopting the recommendations in this report.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a citywide report.

CONSULTATION

The Board of Directors of the Ottawa Community Lands Development Corporation was presented with a copy of the draft policies at its meeting on October 27, 2023. The City's Legal Services Branch, Supply Branch and external legal counsel were consulted and provided input on the review of the policies and procedures.

ACCESSIBILITY IMPACTS

There are no accessibility implications associated with the report recommendations.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications associated with the recommendations set out in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications associated with the report recommendations.

RURAL IMPLICATIONS

There are no rural implications associated with the report recommendations.

TERM OF COUNCIL PRIORITIES

This report supports the following 2023-2026 Term of Council priorities:

- A city that has affordable housing and is more liveable for all; and
- A city with a diversified and prosperous economy.

SUPPORTING DOCUMENTATION

Document 1: Form of Articles of Amendment

Document 2: Updated Policies and Procedures

DISPOSITION

Following Council's approval, the updated mandate and policies will be filed with the Office of the City Clerk and Solicitor. In connection with the amended mandate and corporate name, OCLDC staff and external legal counsel will amend its letters patent by filing articles of amendment.

Document 1 – Form of Articles of Amendment



Ministry of Public
and Business Service Delivery

Articles of Amendment
Not-for-Profit Corporations Act, 2010

For questions or more information to complete this form, please refer to the instruction page.

Fields marked with an asterisk (*) are mandatory.

1. Corporation Information

Corporation Name *	
OTTAWA COMMUNITY LANDS DEVELOPMENT CORPORATION/LA SOCIÉTÉ D'AMÉNAGEMENT DES TERRAINS COMMUNAUTAIRES D'OTTAWA	
Ontario Corporation Number (OCN) *	Company Key *
1797868	00000000
Official Email Address *	
corpott@blg.com	

2. Contact Information

Please provide the following information for the person we should contact regarding this filing. This person will receive official documents or notices and correspondence related to this filing. By proceeding with this filing, you are confirming that you have been duly authorized to do so.

First Name *	Middle Name	Last Name *
Lex		Klombies
Telephone Country Code	Telephone Number *	Extension
1	613-787-3508	
Email Address *		
corpott@blg.com		

3. Corporation Name

Complete this section only if you are changing the corporation name

The corporation will have:

- an English name (example: "Green Institute Inc.")
- a French name (example: "Institut Green Inc.")
- a combination of English and French name (example: "Institut Green Institute Inc.")
- an English and French name that are equivalent but used separately (example: "Green Institute Inc./Institut Green Inc.")

Nuans Report (English)

New Corporation Name (Proposed)
Build Ottawa

Nuans Report Reference Number	Nuans Report Date
121900641	May 11, 2023

Nuans Report (French)

New Corporation Name (Proposed)
Bâtir Ottawa

Nuans Report Reference Number	Nuans Report Date
121955109	July 13, 2023

4. Number of Directors (if applicable)

Complete this section only if you are changing the number of directors

A minimum of three directors are required. Please specify the number of directors for your Corporation

Fixed Number Minimum/Maximum

Minimum Number of Directors *

5

Maximum Number of Directors *

9

5. Purposes and Provisions (if applicable) (Maximum is 900,000 characters per text box. To activate the toolbar press "Ctrl + E")

Complete this section only if you are amending the Purposes and Provisions

Is the corporation a charity or does it intend to operate as a charity?

Yes No

Description of Changes to Purposes

Please describe any amendments to the corporation's purposes in the area below (please be specific):

Enter the Text

The purposes of the corporation as set out in the Letters Patent dated August 6, 2009 be deleted in their entirety and replaced with the following:

(a) To advance the development of affordable housing in the City of Ottawa (the "City") and to promote and undertake community improvements in the City generally, including but not limited to:

(i) planning, subdividing and developing or redeveloping real property owned or held by the Corporation for residential, industrial, commercial, institutional, public, recreational, or other uses;

(ii) owning, constructing, operating, maintaining, and/or providing facilities or entering into agreements for the construction, operation, maintenance and/or provision of facilities;

(iii) acquiring, holding, selling, leasing or disposing of real property; entering into agreements, including but not limited to development agreements and subdivision agreements; undertaking or conducting studies, research and design work;

(iv) conducting public marketing and advertising real property for sale; and

(b) To undertake other activities consistent with these objectives.

Description of Changes to Special Provisions

Please describe any amendments to the corporation's special provisions in the area below (please be specific):

Enter the Text

The following be added as paragraph (c) to the special provisions:

(c) Commercial purposes, if any, included in the articles are intended only to advance or support one or more of the non-profit purposes of the corporation. No part of a corporation's profits or of its property or accretions to the value of the property may be distributed, directly or indirectly, to a member, a director or an officer of the corporation except in furtherance of its activities.

6. Members Authorization and Effective Date

The resolution authorizing the amendment was approved by the members of the corporation on *

Requested Date for Amendment *

Authorization

* I, Lex Klombies

confirm that:

- This amendment has been duly authorized as required by section 103 of the *Not-For-Profit Corporations Act, 2010*.
- This form has been signed by all the required persons.

Caution:

The Act sets out penalties, including fines, for submitting false or misleading information.

Required Signatures

Name	Position	Signature
Wendy Stephanson	President and CEO	
Peter Radke	Secretary and COO	