Audit of Affordable Housing





Why we did this audit Housing affordability has become a critical issue across many Canadian cities, including the City of Ottawa (the City). In January 2020, City Council declared a "housing and homelessness crisis and emergency" due to the increased and prolonged waitlist for affordable housing and the overcrowding of emergency shelters, making this one of the City's top priorities. The objective of this audit was to assess whether the City has designed and implemented programs and structures to support its affordable housing objectives as outlined in the 10-Year Housing and Homelessness Plan; specifically related to new affordable housing units.

What we found

The City has not met its new affordable housing unit goals in recent years, primarily due to funding availability from all levels of government and the capacity challenges in the housing development sector. Despite this, the City has structures, programs and tools in place to progress this portfolio. Leading practices compared to peer municipalities are in place. For example, the City's Housing Services has strong working relationships with non-profit developers and has available programs such as pre-development funding to help get projects started. Further, the City identifies surplus land with an affordable housing lens and uses its separate legal entity to allow for agile transactions.

Our audit identified opportunities to strengthen and formalize the existing structures and improve the tools and reporting in place to set up the City to meet the challenge of creating more affordable housing.

We made nine recommendations to ensure that:

- A formalized governance structure is developed to oversee the affordable housing portfolio, including a cross-functional oversight body;
- Measures under existing housing programs are expanded, including the ability to further expedite approvals as well as being flexible on building restrictions for affordable housing developments;
- Tools, incentives, and programs related to affordable housing are centrally tracked;
- The land strategy is formalized and the potential expansion of the criteria to include City-owned property sales into the housing fund is analysed;
- A clear and consistent definition of affordable housing is adopted City-wide;
- All commitments made on reporting against targets/outcomes are reflected in the annual 10-Year Housing and Homelessness Plan Update; and
- Key affordable housing indicators are reported in a timely and transparent quarterly dashboard.

For more details on this report please visit our <u>website</u>. 613 580-9602 | <u>OAG@ottawa.ca</u>