

**Subject: Affordable Housing Community Improvement Plan (CIP) and
Implementing By-laws**

File Number: ACS2024-CSS-GEN-003

**Report to Finance and Corporate Services Committee on 2 April 2024
and Council 17 April 2024**

**Submitted on March 20, 2024 by Clara Freire, General Manager, Community and
Social Services**

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Ward: Citywide

**Objet : Plan d'améliorations communautaires (PAC) pour le logement
abordable et règlements de mise en œuvre**

Numéro de dossier : ACS2024-CSS-GEN-003

Rapport présenté au Comité des finances et des services organisationnels

Rapport soumis le 2 avril 2024

et au Conseil le 17 avril 2024

**Soumis le 2024-03-20 par Clara Freire, Directrice générale – Services sociaux et
communautaires**

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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION(S)

That Finance and Corporate Services Committee recommend that Council:

- 1. Approve the Affordable Housing Community Improvement Plan (CIP) as detailed in Document 1;**

2. Approve the implementing By-laws as detailed in Documents 2 and 3;
3. Delegate authority to the General Manager, Community and Social Services and the City Solicitor to finalize and make any necessary adjustments to the proposed Affordable Housing Community Improvement Plan By-law to give effect to the intent of Council; and
4. Approve the Consultation Details Section of this report to be included as part of the 'brief explanation' in the Summary of Written and Oral Public Submissions, to be prepared by the Office of the City Clerk and submitted to Council in the report titled, "Summary of Oral and Written Public Submissions for Items Subject to the *Planning Act* 'Explanation Requirements' at the City Council Meeting of April 17, 2024," subject to submissions received between the publication of this report and the time of Council's decision.

RECOMMANDATION(S) DU RAPPORT

Que le Comité des finances et des services organisationnels recommande au Conseil municipal :

1. d'approuver le Plan d'améliorations communautaires (PAC) pour le logement abordable, présenté dans le document 1; et
2. d'approuver les règlements de mise en œuvre, présentés dans les documents 2 et 3;
3. de déléguer à la directrice générale, Services sociaux et communautaires et à l'avocat général le pouvoir de parachever le règlement sur le Plan d'améliorations communautaires pour le logement abordable proposé et d'y apporter les modifications nécessaires pour donner suite à la volonté du Conseil; et
4. Approuve que la section du présent rapport consacrée aux détails de la consultation soit incluse en tant que « brève explication » dans le résumé des observations écrites et orales du public, qui sera rédigé par le Bureau du greffier municipal et soumis au Conseil dans le rapport intitulé « Résumé des observations orales et écrites du public sur les questions assujetties aux "exigences d'explication" aux termes de la *Loi sur l'aménagement du territoire*, à la réunion du Conseil municipal prévue le 17 avril 2024 », sous réserve des observations reçues entre le moment de la

publication du présent rapport et la date à laquelle le Conseil rendra sa décision.

EXECUTIVE SUMMARY

Purpose

In November 2023, Council received the draft Affordable Housing Community Improvement Plan (CIP) and directed staff to report back to Committee and Council in Q1 2024 with a finalized Affordable Housing Community Improvement Plan and By-law for approval ([ACS2023-PRE-GEN-0008](#)). Staff were also directed to consider an appropriate application date for the Affordable Housing CIP program and including limits to annual rent increases for affordable units.

Further to these directions, City staff are recommending the approval of the Affordable Housing CIP program outlined in this report, to incentivize and ultimately, increase the supply of affordable rental units.

Financial Implications

Depending on level of affordability, the Affordable Housing CIP is proposing a Tax Increment Equivalent Grant (TIEG) incentive between \$6,000 and \$8,000 per affordable rental unit per year, for a duration of 20 years. TIEGs entail leveraging the projected future uplift in property tax revenue resulting from a development, as a tax refund in the form of a conditional grant to the developer to help finance the development. TIEGs are especially useful for improving cashflow for rental projects.

The total TIEG incentive is proposed to be capped at 50 per cent of the total tax increment for the development to ensure an additional funding source is not required. The program is proposed to run until the end of 2026, at which point staff will complete a review and report back to the next term of Council with recommendations to either cancel, amend, or continue with the Affordable Housing CIP TIEG incentive program.

Public Consultation

Following the first and second round of consultation events, which included surveys, open houses and stakeholder advisory meetings, the draft CIP was circulated to over 50 organizations from the private and non-profit housing sector and posted on the City's Engage Ottawa website for comment. As required by legislation, the draft was also sent to the Ministry of Municipal Affairs and Housing for comment. In total, over 140 individuals were engaged during this round of consultations and over 20 detailed

comments were received. In addition to external consultations, City staff from PRED, CSSD and FCSD met to discuss financial considerations and administrative requirements associated with delivering this new program as well as stacking it with other City CIPs.

RÉSUMÉ

Objet

En novembre 2023, le Conseil a reçu le Plan d'améliorations communautaires (PAC) préliminaire pour le logement abordable et demandé au personnel de soumettre au Comité et au Conseil, au cours du T1 de 2024, une version finale du PAC et d'un règlement, aux fins d'approbation ([ACS2023-PRE-GEN-0008](#)). Il a également demandé au personnel d'évaluer à quelle date le programme de PAC devrait être mis en œuvre et les limites d'augmentation annuelle du loyer des logements abordables.

Ainsi, le personnel municipal recommande l'approbation du programme de PAC pour le logement abordable, décrit dans le présent rapport, à titre de mesure incitative pour ce genre d'habitation et ultimement pour en augmenter l'offre.

Répercussions financières

En fonction du degré d'abordabilité, le PAC pour le logement abordable offre une subvention proportionnelle à la hausse des impôts fonciers (SPHIF) allant de 6 000 \$ à 8 000 \$ par logement locatif abordable par année, pour une période de 20 ans. Cette mesure accorde au promoteur une subvention conditionnelle, sous forme d'un remboursement d'impôt, en fonction de la hausse prévue de revenus attribuable au relèvement de l'impôt foncier découlant du projet. Elle sert essentiellement à augmenter les liquidités des projets locatifs.

On propose que la SPHIF soit plafonnée à 50 % de l'augmentation de l'impôt foncier du projet d'aménagement pour éviter d'avoir à recourir à une autre source de financement. À la fin de 2026 – moment proposé pour y mettre fin –, le personnel procédera à un examen complet et soumettra un rapport au prochain mandat du Conseil dans lequel il recommandera de l'annuler, de la modifier ou de la poursuivre.

Consultation publique

Après le premier et deuxième rondes de consultation, qui ont pris la forme de sondages, de réunions portes ouvertes et de réunions de consultation des intervenants, le PAC provisoire a été distribué à plus de 50 organisations des secteurs privé et du logement à

but non lucratif et publié sur le site Participons Ottawa de la Ville, à des fins de commentaires. Comme l'exige la loi, la version provisoire a aussi été soumise au ministère des Affaires municipales et du Logement pour obtenir ses commentaires. Au total ont été consultées plus de 140 personnes et ont été reçus plus de 20 commentaires détaillés. Outre les consultations externes, le personnel de la Direction générale de la planification, de l'immobilier et du développement économique, de la Direction générale des services sociaux et communautaires et de la Direction générale des finances et des services organisationnels s'est réuni pour discuter des aspects financiers et des besoins administratifs de ce nouveau programme et de son arrimage avec les autres PAC de la Ville.

BACKGROUND

The City of Ottawa declared a Housing and Homelessness Crisis and Emergency via [motion](#) on January 29, 2020. Since this declaration, the challenges associated with the delivery of new affordable housing units have been further exacerbated by increased interest rates, labour shortages and supply chain disruptions. With affordable housing becoming more out of reach for Ottawa residents, Council has deemed housing a top priority in the [2023-2026 Term of Council Priorities](#) report. As one of many tools needed to respond to this housing emergency, and in line with the goals and objectives of the City of Ottawa Official Plan and the 10-Year Housing and Homelessness Plan, City staff are recommending the approval of an Affordable Housing Community Improvement Plan (CIP) program to incentivize and, ultimately, increase the supply of affordable rental units.

CIP programs fall into two categories: municipally-driven programs; and incentive-based programs. Where municipally-driven programs are both funded and executed by the municipality, incentive-based programs are intended to direct and stimulate private sector investment. The Affordable Housing CIP will be an incentive-based program in accordance with Section 28 of the *Planning Act* and Section 365.1 of the *Municipal Act*. The consulting teams at MacNaughton Hermsen Britton Clarkson Planning Limited (MHBC) and SHS Consulting were retained by Housing Services to undertake the development of a comprehensive city-wide, Affordable Housing CIP.

Project History

Since the initiation of this project in November 2022, Council passed motion [No.2022 - 04/20](#) in December 2022 which required that the Brownfield CIP be paused pending a full evaluation of the program, that work on the Affordable Housing CIP continue for the purpose of considering options for the delivery of incentives for affordable housing throughout the City, and that staff report back by Q2 of 2023 on the return on investment of implementing an Affordable Housing CIP and on continuing other CIP programs in the current legislative and financial climate. In November 2023, staff returned to Finance and Corporate Services Committee with the 2023 City of Ottawa Community Improvement Plan Program Review Report ([ACS2023-PRE-GEN-0008](#)), which included a review and proposed revisions to criteria for existing City CIPs, introduced the first draft of the Affordable Housing CIP, and considered the stacking of City CIP programs to encourage an affordable housing project component.

Specific to the Affordable Housing CIP, the report outlined project objectives, the workplan, stakeholder consultations, key findings, and the proposed Tax Increment Equivalent Grant (TIEG) incentive program. A value analysis of the TIEG program as well as details on the other incentives considered but not recommended was also presented. Finally, the report recommended that Council (1) receive the draft Affordable Housing Community Improvement Plan; and (2) Direct staff to report back to Committee and Council in Q1 2024 with a finalized Affordable Housing Community Improvement Plan and By-law for approval. Both recommendations were carried by the Committee and Council. Two Directions to Staff were received during these meetings and will be further discussed in this report.

Property Tax Exemption Under the Municipal Housing Facilities By-Law for Non-Profit Housing

It is important to note that relevant, concurrent work is being completed by Housing Services to revise the definition of 'Affordable Housing' in the Municipal Housing Facility By-law ([By-law No. 2006-1](#) as amended by [By-law 2014-430](#)). Revising this definition will support non-profit and cooperative housing organizations by increasing the number of existing and future affordable housing developments eligible for municipal and schoolboard property tax exemptions. A report is anticipated to be brought to Planning and Housing Committee in Q2 2024. A new non-profit development eligible to apply for Municipal Capital Housing Facility status and the Affordable Housing CIP TIEG program will need to select one or the other, as both cannot be accessed together. That is, where a non-profit property benefits from tax-free status through a Municipal Capital Housing Facility agreement, it would not qualify for the tax refund offered through a TIEG. The former tax relief is anticipated to have a more significant impact on the financial viability of a new non-profit development because property taxes are exempt indefinitely as opposed to reimbursed for 20 years through the CIP's TIEG.

DISCUSSION

Work to determine whether a CIP would be valuable for the delivery of affordable units was initiated in November 2022. A draft Affordable Housing CIP was approved by Finance and Corporate Services Committee and Council in November 2023 with the recommendation to report back to Committee and Council with a finalized Affordable Housing CIP and By-law for approval. This report provides a summary of work completed since November 2023, including additional stakeholder consultations, consideration of two Directions to Staff and final recommended program details.

Stakeholder Consultations

Following the first and second round of consultation events, the draft CIP was circulated to the Advisory Group, over 50 organizations from the private and non-profit housing sector and posted on the City's Engage Ottawa website for comment. As required by legislation, the draft was also sent to the Ministry of Municipal Affairs and Housing for comment. In total, over 140 individuals were engaged during this third round of consultations. In addition to external consultations, City staff from PRED, CSSD and FCSD met to discuss financial considerations and administrative requirements associated with delivering this new program as well as stacking it with other City CIPs. For details regarding the entire CIP consultation process, please refer to the section below titled 'Consultation'.

Directions to Staff

The project team considered the following Directions to Staff:

- 1) Finance and Corporate Services Committee, November 7, 2023
(Councillor R. King)

To facilitate moving more units into 80 per cent AMR to AMR affordability, that staff be directed to consider the appropriate application date for the Affordable Housing CIP to allow consideration of projects that have been issued building permits but have not received an occupancy permit, to apply to the program and that staff be directed to bring forward a recommendation in Q1 as part of the Affordable Housing CIP and by-law.

Staff have determined that it would be appropriate to permit applicants to apply to the Affordable Housing CIP between Site Plan Control submission, if applicable, or Building Permit submission and prior to Occupancy Permit issuance. Extending this timeline from Building Permit to Occupancy Permit issuance allows staff the time to assess impacts on the City's operating pressures for the upcoming budget and will permit rental developments currently under construction to access incentives in exchange for the delivery of affordable rental units.

- 2) Council, November 22, 2023
(Councillor A. Troster)

To embed the goal of supporting financially and socially stable living conditions in any City of Ottawa housing policy, that staff be directed to consider that the agreements include a condition that limits annual rent

increases to that which is permitted by the Annual Provincial Rent Increase Guidelines as applicable to units occupied prior to November 15, 2018 for the duration of the term.

In addition, staff will consider that the agreement includes conditions that the rent in participating units is not increased beyond the provincial guideline established for each calendar year and that rent is not to exceed rental rates established through the CIP agreement, subject to CMHC's annual rental market report.

Staff will include this condition within the CIP agreements. City staff will implement a rental protocol similar to the rental protocol which exists in affordable housing agreements with current non-profit housing providers. The protocol provides that the housing provider cannot increase the rent during the affordability period by more than the prevailing rent increase guideline established for each calendar year pursuant to the Residential Tenancies Act, 2006 or any successor legislation or the rental rates established through the agreement, whichever is less. The protocol also requires that regardless of whether the rent increase guideline under the Residential Tenancies Act, 2006 or any successor legislation applies to the Project, the rent increase guideline applies by virtue of the contractual terms of the Agreement. In the event Average Market Rent (AMR) decreases below the current rent during a tenancy, there would be a requirement to lower the rent, unless the City agrees otherwise, for example given consideration of a business case.

Staff are further directed to consider that Affordable Housing CIP agreements include a provision that any above guideline rent increases must be approved by the City of Ottawa.

Units constructed after November 15, 2018, are not required to seek approval from the Landlord and Tenant Board for above guideline rent increases. The Residential Tenancies Act, 2006 outlines the cases for which a landlord may apply to the Board for an order permitting the rent charged to be increased by more than the guideline. These cases are:

1. An extraordinary increase in the cost for municipal taxes and charges for the residential complex or any building in which the rental units are located.
2. Eligible capital expenditures incurred respecting the residential complex or one or more of the rental units in it.

3. Operating costs related to security services provided in respect of the residential complex or any building in which the rental units are located by persons not employed by the landlord.

Similar to the limit on rent increases, staff will, by way of the agreement, limit a landlord’s ability to increase rent for these expenses. However, to ensure operating viability for buildings under a 20-year agreement, staff will consider above guideline increases in specific cases, as outlined in the Residential Tenancies Act, 2006, but always at an amount such that the rent does not exceed the then current year AMR.

Recommended Program Details

Based on background research, financial analyses, stakeholder feedback, internal discussions, and consultant expertise, the project team prepared a City of Ottawa [draft Affordable Housing CIP](#). The following program details are recommended to remain unchanged from those presented to Council through the previous CIP report in November 2023:

Table 1: Program Eligibility Criteria

Criteria	Eligibility
Geographic Area	City-wide
Tenure	Purpose-Built Rental and Rental Condominiums
Housing Forms	All
Housing Providers	Private and Non-Profit
Number of Affordable Units	5-unit minimum
Level of Affordability	AMR to 80 per cent of AMR and less
Duration of Affordability	20 years

Table 2: TIEG Incentive

Level of Affordability relative to AMR	TIEG Per Affordable Unit Per Year	Total TIEG Amount Per Affordable Unit (20 years)
91 per cent to 100 per cent	\$6,000	\$120,000
81 per cent to 90 per cent	\$7,000	\$140,000
80 per cent or below	\$8,000	\$160,000

The following program details were further considered:

Rental Rate Targets

The Affordable Housing CIP incentivizes the creation of rental units starting at the Average Market Rent (AMR) to 80 per cent of AMR and less, with tiered incentives depending on level of affordability. However, the AMR values for the combined rents of townhouse and apartment units for the City of Ottawa’s existing rental housing stock was previously used in the draft CIP. After a further review of revenue losses for delivering an affordable unit within different housing forms, staff recommend that an AMR value for each housing form be used as a target rate, instead of a combined value. This will improve the effectiveness of the proposed TIEG incentive for all housing forms as AMRs for apartment units are higher than AMRs for townhouse units (see Table 3). These proposed rent levels are affordable for households starting in the moderate-income renter deciles.

Table 3: CMHC Average Market Rents

	Average Market Rent		
	Apartment	Townhouse	Combined
Studio	\$1,173	N/A	\$1,173
1 Bedroom	\$1,411	\$1,084	\$1,409
2 Bedroom	\$1,698	\$1,598	\$1,693
3+ Bedroom	\$2,119	\$1,754	\$1,893

Source: 2023 reported AMR from CMHC Rental Market Data Report (Ottawa)

Tax Increment Cap per Development

The TIEG per affordable unit will remain as proposed in the draft Affordable Housing CIP (Table 2). However, staff have determined that a limit on the amount of the tax uplift that can be reimbursed through the TIEG is required to facilitate stacking with other City CIPs, to maintain City services and ensure no negative impacts to municipal budgets. As the TIEG is for a duration of 20 years, staff recommend a cap of 50 per cent of the tax uplift per development. This cap also allows for additional TIEG incentives when stacking with other City CIPs.

Minimum Proportion of Affordable Units per Development

The draft Affordable Housing CIP proposed a tax uplift of up to 100 per cent per development, which could incentivize a proportion of up to 41 per cent of affordable units at AMR or 31 per cent at 80 per cent of AMR. The revised tax uplift cap of 50 per cent can incentivize up to 21 per cent of affordable units at AMR or 13 per cent at 80 per cent of AMR. Based on the analysis noted above and additional consultation with the sector, staff recommend that the minimum requirement for the proportion of affordable units per development be reduced from 20 per cent to 15 per cent. This would allow developers to target deeper levels of affordability at 80 per cent of AMR or less.

Table 4: Tax Uplift Cap compared to Estimated Maximum Proportion of Affordable Units Incented

Tax Uplift Cap	Units Incented at AMR (\$6,000 TIEG/ unit/ year)	Units Incented at 80 per cent of AMR (\$8,000 TIEG/ unit/ year)
100 per cent	41 per cent	31 per cent
75 per cent	29 per cent	21 per cent
50 per cent	21 per cent	13 per cent

Stacking with Other Programs

The Affordable Housing CIP TIEG program may be stacked with CMHC’s Apartment Construction Loan, Affordable Housing Fund, and Multi-unit Mortgage Loan Insurance programs as well as other City CIPs. When stacking with other CIPs, no additional caps are proposed. However, if the combined grant funding of all CIP programs exceeds 100 per cent of the municipal property tax uplift, only 100 per cent of the municipal property

tax uplift will be paid in a given year. Once in effect, private developers may also benefit from provincial legislation (Bills 23 and 134) providing Development Charge exemptions as well as Parkland and Community Benefit Charge reductions for Affordable and Attainable units. Non-profit housing developers are already exempt from these charges.

The CIP TIEG program may not be stacked with other City programs or agreements that incent affordable units, such as Section 37 or Community Benefit Agreements. However, these incented affordable units may be counted towards meeting the minimum unit and proportion requirements for the Affordable Housing CIP. TIEGs may be provided for the supplementary number of affordable units, if all other program requirements have been met.

Implementation

The TIEG program is proposed to have an open intake window and accept applications on a first-come first-served rolling basis. As securing a TIEG to deliver affordable units will not be a competitive process, applications will be reviewed by Housing Services staff to confirm project eligibility. To apply to the program, a project would need to be between Site Plan Control submission or at Building Permit submission for projects not requiring Site Plan Control, and prior to Occupancy Permit issuance. For applications wherein the total grant value is less than \$2 million, approval authority is delegated to the Director of Housing Services. For applications wherein the total grant value is more than \$2 million, Council approval is required. Should the application be denied by the Director of Housing Services, the applicant may appeal to City Council as the final approval authority.

Contribution agreements between the City and the housing provider, which will outline the conditions for receipt of the TIEG, will be required. The TIEG is proposed to be issued once reassessed property taxes have been paid in full, post-construction. It is also proposed that housing providers may advertise units with rents between AMR and 81 per cent of AMR to the general public, with maximum income threshold requirements. While units with rents at 80 per cent of AMR or below, will be offered to tenants from the City administered Below Market Rent (BMR) waiting list.

Funding Source

The total TIEG incentive is proposed to be capped at 50 per cent of the total tax increment for the development to ensure the program does not require an additional funding source. The program will run until the end of 2026, at which point staff will complete a review and report back to the next term of Council with recommendations to

either cancel, amend, or continue with the Affordable Housing CIP TIEG incentive program.

FINANCIAL IMPLICATIONS

The Affordable Housing CIP is a Tax Increment Equivalent Grant (TIEG) incentive between \$6,000 and \$8,000 per affordable rental unit per year for a duration of 20 years. The incentive is capped at 50 per cent of the total tax increment for the development. The Affordable Housing CIP TIEG program may be stacked with other CIPs. If the combined grant funding of all CIP programs exceeds 100 per cent of the municipal property tax uplift, only 100 per cent of the municipal property tax uplift will be paid in a given year.

LEGAL IMPLICATIONS

There are no legal impediments to adopting the recommendations in this report. The meeting of Finance and Corporate Services Committee serves as the required public meeting under the Planning Act. The process for adopting a Community Improvement Plan is similar to that for adopting an Official Plan Amendment. This includes the obligation to give notice of adoption and the ability for the Plan to be appealed to the Ontario Land Tribunal.

ACCESSIBILITY IMPACTS

All actions that arise from the Affordable Housing CIP program will adhere to accessibility legislative framework that includes the *Integrated Accessibility Standards Regulation* of the *Accessibility for Ontarians with Disabilities Act, 2005* (AODA) and the *Ontario Building Code 2012* to the greatest extent possible. Additionally, as per its Accessibility Policy, the City of Ottawa is committed to providing equal treatment to people with disabilities with respect to the use and benefit of City services, programs and goods in a manner that respects their dignity and that is equitable in relation to the broader public.

Affordable and accessible housing is an initiative as part of the 2020-2024 City of Ottawa Municipal Accessibility Plan (COMAP). As part of this initiative, affordable housing projects approved under the Affordable Housing CIP program will include mandatory accessibility design criteria. It is also the intent of the City for all affordable housing programs to provide a minimum of 10 per cent barrier-free affordable dwelling units. Council receives an update on this plan annually, with the next report going to Council in May 2024.

Additionally, as per the *Ontario Human Rights Code*, landlords would be required to provide accessibility-related accommodations for their tenants, unless to do so would cause undue hardship.

While the 10-Year Housing and Homelessness Plan aims for 10 per cent of all new affordable units to be accessible, the City's Accessibility Advisory Committee (AAC) has previously expressed concerns over a lack of accessible and affordable housing options and the associated retrofit of buildings and its impact to persons with disabilities. As such, during the 2027 comprehensive review of the CIP program, staff commit to actively seeking advice on accessibility and mitigation of any unintended disability-related barriers within the Affordable Housing CIP program and its associated by-laws.

CONSULTATION

Community and stakeholder engagement is embedded in the Affordable Housing CIP process through the three phases of the project workplan. The consultants prepared a detailed stakeholder engagement plan that included recurring meetings with City staff, a Key Advisory Group made up of members from the private and not-for-profit sectors, and the public. Ongoing communication and project updates continue to be accessible to the public via the City's Engage Ottawa online platform. In total, over 70 individuals participated in consultation events and surveys.

The first round of consultation events occurred on December 5, 2022, in the form of a Key Advisory Group meeting, as well as a Public Open House. The purpose of these events was to share the preliminary findings from the Background Review and Financial Assessment, and to obtain feedback on the potential areas of focus, priority locations, and possible incentives. Following the in-person events on December 5, the materials from the Public Open House were published on the *Engage Ottawa* Affordable Housing CIP web page with an accompanying survey for members of the public to review and provide their input. All input received was summarized and incorporated into the consultants' *Background and Options Report*, which informed the shortlisting of incentive programs.

The second round of consultation events occurred throughout the months of July and August 2023, to help inform the selection of incentives to be included in the Affordable Housing CIP. With the Key Advisory Group, a survey was conducted with members, and a meeting was hosted on July 25, 2023, with a follow-up session on August 4, 2023. A second Public Open House was held on July 27, 2023, with presentation materials posted to *Engage Ottawa* with an accompanying survey open until August 24, 2023. The purpose of these events was to obtain feedback on the proposed shortlisted

incentive programs to assist in the selection of the final Affordable Housing CIP program and associated criteria.

The third and final round of consultations included the circulation of the draft Affordable Housing CIP for comment, several meetings with housing developers, consideration of two Directions to Staff as well as the statutory public meeting to be held at Finance and Corporate Services Committee, prior to going to Council for final approval. To date, over 140 individuals have been engaged during this final round of consultations.

DELEGATION OF AUTHORITY IMPLICATIONS

Staff are requesting that for applications wherein the total TIEG value is less than \$2 million, approval authority is delegated to the Director of Housing Services.

ECONOMIC IMPLICATIONS

There are no economic implications having a significant impact on Ottawa's economy, including economic diversification, economic growth, business attraction and talent attraction.

INDIGENOUS, GENDER AND EQUITY IMPLICATIONS

Housing is a key determinant of health. The Affordable Housing CIP will encourage a greater diversity and supply of affordable rental housing city-wide, resulting in greater socio-economic equity and inclusion. Units at 80 per cent of AMR or less will also be offered to tenants from the City administered Below Market Rent (BMR) waiting list.

RISK MANAGEMENT IMPLICATIONS

There is a risk of disputes or breach of contract with housing providers. However, this risk will be mitigated via clear conditions outlined in contribution agreements. Agreements and securities will also be registered on title.

RURAL IMPLICATIONS

The Affordable Housing CIP is applicable city-wide, including all villages designated in the Official Plan. Projects meeting the eligibility requirements may apply.

TERM OF COUNCIL PRIORITIES

Council has deemed "A city that has affordable housing and is more liveable for all" as one of four priorities in the [2023-2026 Term of Council Priorities](#) report. The Affordable

Housing CIP will contribute to the increase in affordable housing supply in the City. The incentives would support a range of affordable housing developments, city-wide.

SUPPORTING DOCUMENTATION

Document 1: Affordable Housing CIP

Document 2: Project Area By-law

Document 3: Affordable Housing CIP Implementing By-law

DISPOSITION

Housing Services will coordinate with the Planning Operations Branch, Planning Services to undertake the statutory notification process.

Housing Services will update their Ottawa.ca website to include CIP program details and application processes. The necessary information pamphlets, application forms, administrative guide, and committee report and agreement templates will also be prepared in partnership with FCSD and Legal Services.