

Document 4 – Table of Substantive Amendments

Modification #	Purpose	Section in CIP	Text with Tracked Changes	Rationale/Impact
1	Clarifying wording for the definition of affordability	Section 3.3.1	For eligibility under the Affordable Housing CIP, rental units housing that is must be rented at or below Average Market Rent (AMR), as defined by the Canada Mortgage and Housing Corporation (CMHC) in their latest Annual Market Survey, for the Ottawa portion of the Ottawa-Gatineau Census Metropolitan Area, for the entire rental housing stock, will be considered affordable. The City-wide AMR for the entire housing stock shall be used and calculated based on the building form and unit type.	Specifying the applicable Average Market Rent will provide clarity among applicants and developers, as well as clarify where to find the applicable average rents for the CIP.
2	Additional wording on standards for affordable units	Sections 3.3.3 & 3.4.1	New sentences proposed: The affordable units must be modest in size relative to industry norms, must have access to the same amenities as market units, and must be dispersed throughout the building such that the affordable units are not segregated, all to the satisfaction of the approval authority. & Note, the affordable units must be modest in size relative to industry norms, must have access to the same amenities as market units, and must be dispersed throughout the building such that the affordable units are not segregated, to the satisfaction of the City's approval authority.	Clarifying and adding these standards will support equitable affordable units among all the units of a development.
3	Revising application submission timeline	Section 3.3.4	Applications are to must be submitted after between Site Plan Control submission, if applicable, or Building Permit submission and prior to the issuance of an Occupancy Permit.	Since the CIP was adopted, provincial Bill 185 came into effect on June 1, 2024, which removed the requirement for pre-consultations and alleviated the 60-day legislative timeline for Site Plan Control application approval. This may result in the Site Plan process lasting longer

				than 60 days. Therefore, revising wording to require that applications be submitted only after Building Permit applications is recommended. This change will ensure that applicants are far enough in the development process that building design and number of units are set.
4	Revising the lapsing of approvals	Section 3.3.4	New proposed sentence: Once an application is approved, the applicant will have up to four years to obtain an occupancy permit for the affordable units, after which approval for the CIP TIEG program will automatically lapse and a new application will be required, subject to the program continuing to be in place and any program rules in effect at that time. While applications automatically lapse after 4 years, the City reserves the right to extend the period on a case-by-case basis, at the discretion of the City's approval authority.	This added deadline is to encourage the development of the affordable housing units in a timely manner, as well as to avoid committing funds to a project that is not proceeding to construction.
5	Clarifying wording on program stacking	Section 3.3.5	New proposed sentence: The CIP TIEG incentive cannot be stacked with other City programs, funding, benefits, and other incentives that relate to the affordability of units, unless otherwise approved by the City's approval authority. As such, while any previously incented affordable units in a project may be counted towards meeting the minimum unit (5) and proportion requirement (15 per cent) for the Affordable Housing CIP, TIEGs will only be provided for affordable units that are not already subject to affordability requirements under another agreement with the City and/or have not otherwise resulted in the owner receiving a benefit or incentive, such as but not limited to increased density, reduced parking, etc.	This amendment is to ensure the city is not duplicating funding efforts to incentivize the same affordable units. This was always the intent in the original CIP approved in April 2024, but clarification was omitted from the CIP document itself.

6	Clarifying wording on portion of property taxes subject to the grant	Sections 3.4, 3.4.2, 4.2	<p>Section 3.4 : The total annual grant shall not exceed 50 per cent of the incremental increase in the municipal portion of property taxes.</p> <p>Section 3.4.2: The annual grant per affordable unit will be calculated based on the level of affordability provided and will apply for a duration of 20 years subject to the total yearly grant amount shall not exceeding 50 per cent of the incremental increase in the municipal portion of in property taxes. The annual grant per affordable unit will be calculated based on the level of affordability provided and will apply for a duration of 20 years.</p> <p>Section 4.2: An annual budget is not proposed for the CIP. The TIEG program uses up to 50 per cent of the incremental increase in the municipal portion of property taxes, generated by a project to fund the incentive.</p>	This clarification was required as the city can only reimburse the portion of taxes that are paid to the municipality (i.e.: not the portion of taxes paid to schoolboards). This approach is consistent with other City CIPs.
7	Clarifying wording on establishing grant amount	Sections 3.4.5 and 4.2	<p>New proposed sentence in Section 3.4.5: The tax increment shall be established once, on the first-year following completion and assessment of the uplift, and forms the basis of the cap of the TIEG calculation for 20 years. The tax increment is not recalculated throughout the term, such that annual increases to property taxes have no bearing.</p> <p>Section 4.2:</p>	The reason for maintaining the same tax increment for the duration of 20 years is to alleviate the need to recalculate the TIEG after every property tax increase.

			<p>The tax increment shall be established once, on the first-year following completion and assessment of the uplift, and forms the basis of the TIEG calculation for 20 years. The tax increment is not recalculated throughout the term, such that annual increases to property taxes have no bearing. Subject to Council cancelling the Affordable Housing CIP before then, intake for 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.</p>	
8	Additional wording on grant requests from applicants	Section 3.4.3	<p>New wording proposed: If the Owner or Authorized Agent fails to request the annual TIEG by December 31 of the following year for which the TIEG is being requested, the City shall have no obligation to pay the TIEG for that year.</p>	<p>This change will provide proponents a reasonable amount of time and will allow for the Finance and Corporate Services Department to report and track the grants issued on a yearly basis. If the proponent fails to request the annual TIEG with supporting materials by December 31 of the following year, for which the TIEG is being requested, the City shall have no obligation to pay the TIEG for that year.</p>
9	Clarification that the delivery of affordable units must be continuous	Section 3.4.3 (two locations)	<p>Wording proposed for both sections: Confirmation that the affordable units were continuously occupied (with the exception of vacancies for brief periods to accommodate a change in tenancy or in extraordinary circumstances, at the discretion of the approval authority) during the year;</p>	<p>This amendment discourages lengthy vacancies for affordable units.</p>