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TO: Chair and members of the Planning and Housing Committee

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FILE NUMBER: ACS2025-PDB-PS-0026

SUBJECT: Residential Dwelling Approval Pipeline – Q4 2024

OBJET: Processus d'approbation des projets d'habitation – T4 de 2024

PURPOSE

The Residential Dwelling Approval Pipeline provides an update on housing unit approvals, building permits issued, and other residential development indicators on a quarterly and year-to-date basis.

BACKGROUND

Following direction from Council per Motion No. 2022-03/20 on December 7, 2022, and in an effort to track progress towards municipal, provincial and federal housing supply targets for the city of Ottawa, staff have been tasked with tracking and reporting on the number of units approved and the number of building permits issued by the City of Ottawa.

The Residential Dwelling Approval Pipeline provides an update on these two items, along with other residential development indicators such as housing starts, dwellings under construction, and housing completions on a quarterly basis. This report will be available on ottawa.ca and data will be posted to [Open Ottawa](#).

In August 2023, the Ministry of Municipal Affairs and Housing (MMAH) announced that the Ontario government would be launching the [Building Faster Fund](#), a three-year, \$1.2 billion program that will provide up to \$400 million per year to municipalities that reach 80 per cent or more of their annual housing targets.

The Province has specific metrics that are being considered for municipal housing pledges and tracking of housing supply progress, the MMAH released a [webpage](#) in October 2023 that currently uses Canadian Mortgage and Housing Corporation (CMHC) housing starts, new and upgraded long term care beds from the Ministry of Long-Term Care, and 'additional residential units' to measure annual housing targets. 'Additional residential unit' includes additional residential units (ARUs), including non-residential space that is converted to residential units and residential to residential conversions, as well as new and upgraded beds in long-term care homes, according to the MMAH's webpage.

The MMAH's annual housing targets for the city of Ottawa will ramp up annually to meet the 151,000 units required by 2031, with 12,583 dwellings targeted for 2024. This figure differs from staff's estimate of annual targets from the [2031 Municipal Housing Pledge](#) last year in absence of information from the Province at the time, which targets 15,100 building permits issued per year in order to meet the 151,000 units required by 2031.

Additionally, the Federal Government announced the Housing Accelerator Fund (HAF) in April 2022 as part of the Federal Budget. The HAF's objective is to create more supply of housing at an accelerated pace and enhance certainty in the approvals and building process. In July 2023, Council approved the City's action plan for its application to the HAF program, and in December 2023, the application was approved by CMHC, and a contribution agreement was executed between the City and CMHC. Under this program, Ottawa is eligible for up to \$176,323,293 over the three-year program until the end of 2026. The contribution agreement [growth targets](#) include over 37,500 new

dwellings through building-permit issuance over the next three years (end of 2026). This represents a growth target for the development industry to submit approximately 12,500 dwellings per year through building-permits.

In order to monitor progress towards these two funding targets, these quarterly updates now include housing supply progress meters on the year-to-date infographic.

EXECUTIVE SUMMARY

This update reports on residential development data for Q4 2024, which covers October, November, and December. A year-to-date infographic is also attached. Both the year-to-date data and the Q4 2024 data excludes double counting of housing units approved through multiple development applications at the same location, including all extension applications.

In Q4 2024, there were:

- 1,583 dwellings granted Official Plan or Zoning By-law Amendments approvals
- 1,922 dwellings approved through Plan of Subdivision, Plan of Condominium, Site Plan Control, Minor Variance, and Severance applications (all other approvals)
- 2,149 net new dwellings issued building permits
 - 20 of which are affordable dwellings
- 1,770 housing starts
- 14,186 dwellings under construction
 - 927 of which are affordable dwellings
- 2,131 dwellings where construction was completed

Building permits are down 22 per cent from 2,760 dwellings issued permits in Q3 2024 to 2,149 dwellings issued permits in Q4 2024. During the same time period, housing starts are down 29 per cent from 2,500 to 1,770. There was a 56 per cent decrease in dwellings granted Official Plan and Zoning Approvals (from 3,556 to 1,583), and there was a 58 per cent decrease in dwellings granted all other approvals (from 4,586 to 1,922).

Year-over-year, Q4 2024 building permit counts are up by 31 per cent, from 1,635 dwellings issued permits in Q4 2023 to 2,149 dwellings issued permits in Q4 2024. Between Q4 2023 and Q4 2024, housing starts are down 30 per cent from 2,521 to 1,770. There was a 61 per cent decrease in dwellings granted Official Plan and Zoning Approvals (from 4,038 to 1,583) and a 41 per cent decrease in dwellings granted all other approvals (from 3,267 to 1,922).

In 2024, there have been a total of 22,159 dwellings granted approvals through development applications, excluding duplicate applications for the same project.

Development Applications issued Building Permits:

Table 1 below provides an estimate of dwellings in the approvals “pipeline” that were granted permissions or approved and whether building permits have been issued following approval (tracked since January 2023 to December 2024). Double-counting has been removed for dwellings in more than one application type.

Table 1: Dwellings granted permissions/approved by application type

Application Type	Dwellings Approved/Granted Permissions	Number of those Dwellings Issued Building Permits	Number of those Dwellings Remaining*
Official Plan Amendment	3,819	0	3,819
Zoning By-law Amendment	18,180	1,223	16,987
Combined Official Plan and Zoning Amendments	4,821	0	4,821
Plan of Subdivision	5,765	581	5,184
Plan of Condominium	1,579	1,204	378
Site Plan Control	13,346	5,071	8,642
Minor Variance	5,010	1,951	3,045
Severance	486	338	165
Combined Minor Variance and Severance	391	150	247
Total	53,397	10,518	43,288

**The number of units remaining may not add to the number of units approved minus the number of building permits issued as the number of units built might be updated throughout the development process.*

Note: Numbers might be lower than previous quarters because of duplicates captured and removed in the new quarter.

Of the approved and permitted 53,397 dwellings, 10,518 or 20 per cent have been issued building permits as of Q4 2024. This leaves approximately 43,288 of these units remaining to be built or go through further approvals in the pipeline.

Housing Supply Pledge Progress

The MMAH set an annual housing target of 12,583 new dwellings in 2024 for the city of Ottawa. From January 1 to December 31, 2024, there were 6,800 housing starts recorded by CMHC. The inclusion of ‘additional residential units’ and long-term care beds from the [MMAH's housing tracker](#) and [CMHC Conversions/ADU data](#) provides a year-to-date 2024 housing progress of 7,314 new dwellings or **58 per cent**. Eligibility to access the provincial Building Faster Fund requires achieving 80 per cent of the housing target, or over 10,000 starts, additional residential units, and long-term care beds. Table 2 below provides a breakdown of these metrics.

Table 2: Ottawa’s housing supply progress for 2024

Dwelling Type	January 1 to December 31, 2024
CMHC housing starts	6,800
Additional residential units and long-term care beds	514*
Total	7,314*

**Note: Since the province’s [Housing Tracker website](#) is only updated till October 2024, the data for November and December is taken from [CMHC starts](#) and [CMHC Conversions/ADU data](#). Additionally, please note that the City did not receive any Long-Term Care permits for the months of November and December.*

HOUSING ACCELERATOR FUND

The Federal Government announced the Housing Accelerator Fund (HAF) in April 2022 as part of the Federal Budget. The HAF’s objective is to create more supply of housing at an accelerated pace and enhance certainty in the approvals and building process. On July 12, 2023, Council approved the City’s action plan for its application to the HAF program, and on December 21, 2023, the application was approved by CMHC, and a contribution agreement was executed between the City and CMHC. Ottawa is eligible for up to \$176,323,293 over the three-year program until the end of 2026.

The contribution agreement growth targets include over 37,500 new dwellings through building-permit issuance over the next three years (end of 2026). This represents a growth target for the development industry to submit approximately 12,500 dwellings per year through building-permits (source: [City of Ottawa’s Housing Accelerator Fund Use of Funds and Roadmap](#)).

It is worth noting that the HAF growth targets and MMAH housing supply targets (described in the previous section) use different metrics. The HAF measures building-permit issuance, whereas the MMAH measures CMHC housing starts, additional residential units (ARUs), and long-term care beds. A key difference between building-permits and CMHC starts is timing: building permits are issued first in the

development process once a project is approved, while CMHC starts indicate the beginning of construction. A majority of building permits will eventually be captured by the CMHC as a start or ARU. Table 3 below illustrates the difference between the metrics and targets for both these programs.

Table 3: Housing Accelerator Fund and Municipal Housing Pledge program differences

Program	HAF	Housing Pledge Targets
Year	Building Permits	CMHC Starts + Other
2024	12,500	12,583
2025	12,500	15,100
2026	12,500	17,617

Table 4 below shows new dwellings issued building permit from January 1st, 2024 to December 31st, 2024 and the City's progress towards the HAF target.

Table 4: New dwellings through building-permit issuance for 2024

	Dwellings (January 1 to December 31, 2024)
Net New Dwellings	10,610
HAF Target for 2024 (dwellings)	12,500
Progress towards 2024 HAF target	84.8%
Net New Single Detached Homes	984
Net New Multi-Units in Close Proximity to Rapid Transit (1500m radius)*	8,240
Net New Units from Missing Middle** (Other)	1,233
Net New Units from Multi-Unit Housing*** (Other)	153
Net New Affordable Units	662 (or 6.24% of net new units issued permits)

Progress towards target = Net New Units divided by the 2024 HAF target

** Net New Multi-Units in Close Proximity to Rapid Transit includes missing middle and multi unit housing that are in close proximity to rapid transit.*

*** Net new units in residential development that have storeys less than or equal to 4 and of the building type: Seasonal Dwelling, Semi-detached, Row House, or Apartment (includes duplexes, triplexes, quadruples, stacked rowhouses or apartment condominiums); and are not in close proximity to Rapid Transit.*

**** Net new units in residential development that have storeys more than 4 and of the building type: Apartment (includes duplexes, triplexes, quadruples, stacked rowhouses or apartment condominiums); and are not in close proximity to Rapid Transit.*

The reporting methodology for the Housing Accelerator Fund is determined by CMHC. CMHC classifies detached dwellings with additional residential units, commonly referred to as “basement suites”, together as two “missing middle housing” dwellings rather than one single detached and one missing middle housing dwelling.

The City issued building permits to construct 10,610 net new dwellings in 2024, representing 85 per cent of the annual target of 12,500 dwellings. Of these 10,610 net new dwellings, nine per cent (984 units) were in single detached homes, 78 per cent (8,240 units) were in the multi-units in close proximity to rapid transit (1500m radius) category, 12 per cent (1,233 units) were in missing middle (other) category, and one per cent (153 units) were in the multi-unit housing (other) category. Additionally, six per cent (662 units) of the overall net new dwellings were affordable housing units.

CONCLUSION

Staff will continue tracking housing unit approvals, building permits issued, and other residential development indicators and report back to the Planning and Housing Committee on a quarterly basis.

Receipt of future allocations of the federal Housing Accelerator Fund are contingent upon achievement of overall 3-year housing permit targets per the agreement between the City and CMHC. Municipal eligibility for the provincial Building Faster Fund is contingent upon the City achieving 80% of the provincial Housing Supply target. A loss of funding from either source may have implications on delivery of housing-supportive assets and is identified as a risk.

Original signed by

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cc: Wendy Stephanson, City Manager

Vivi Chi, Interim General Manager, Planning, Development and Building Services Department

SUPPORTING DOCUMENTATION

Document 1 – Residential Dwelling Approval Pipeline Q4 2024

Document 2 – Residential Dwelling Approval Pipeline YTD 2024