

Subject: Housing Acceleration Plan Progress Update

File Number: ACS2026-SI-SPO-003

**Report to Finance and Corporate Services Committee and Planning and Housing
Committee on 5 May 2026
and Council 13 May 2026**

**Submitted on April 24, 2026 by Debbie Stewart, General Manager, Strategic
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Ward: Citywide

Objet : État d'avancement du Plan d'accélération de la création de logements

Numéro de dossier : ACS2026-SI-SPO-003

**Rapport présenté au Comité mixte des finances et des services organisationnels
et de la planification et du logement le 5 mai 2026
et au Conseil le 13 mai 2026**

**Soumis le 24 avril 2026 par Debbie Stewart, Directrice Générale, Direction
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Quartier : À l'échelle de la ville

REPORT RECOMMENDATION(S)

That the Finance and Corporate Services Committee and Planning and Housing Committee recommend that Council:

- 1. Receive for information the progress update and measurement framework of the Housing Acceleration Plan as described in this report and attached as Documents 1 and 2.**
- 2. Amend the Tree Protection By-law, 2020-340 to replace the Tree Conservation Report Guidelines outlined in Schedule “E” of the by-law with the new Tree Conservation Report Guidelines as described in this report and attached as Document 4 to enable the implementation of the Housing Acceleration Plan.**

RECOMMANDATION(S) DU RAPPORT

Que le Comité des finances et des services organisationnels et le Comité de la planification et du logement recommandent ce qui suit au Conseil :

- 1. Recevoir, à titre d’information, le rapport d’étape et le cadre de mesure de rendement du Plan d’accélération de la création de logements, décrits dans le présent rapport et annexés dans les documents 1 et 2.**
- 2. Modifier le Règlement sur la protection des arbres (2020-340) afin de remplacer les Lignes directrices pour la production du rapport sur la conservation des arbres figurant à l’annexe « E » du Règlement par les nouvelles Lignes directrices pour la production du rapport sur la conservation des arbres, décrites dans le présent rapport et annexées dans le document 4 en vue de permettre la mise en œuvre du Plan d’accélération de la création de logements.**

EXECUTIVE SUMMARY

On October 8, 2025, Council approved the Housing Innovation Task Force report and Housing Acceleration Plan ([ACS2025-SI-SPO-0002](#)) to fundamentally overhaul the City’s approach to housing by using every tool within the municipal toolbox to drive transformational change and clear the way for new homes to be constructed in the short term.

This report provides a progress update on the Housing Acceleration Plan and responds to Council direction to report back on market conditions, implementation progress, the introduction of a measurement framework, and the Bloomberg Associates development feasibility methodology.

A review of market conditions, informed by Canada Mortgage and Housing Corporation (CMHC) data, shows some near-term improvement in key indicators since October 2025, but affordability and supply challenges persist. Housing starts increased in 2025 (driven largely by multi-unit and purpose-built rental activity), and year-to-date 2026 starts are modestly higher than the same period in 2025. However, CMHC forecasts a slowdown in starts through 2026–2028 due to easing population growth, a high volume of units already under construction, elevated construction costs, and broader economic uncertainty. Home prices and rents remain substantially above pre-pandemic levels, and affordability pressures continue for many households. The [CMHC's 2025 Rental Market Report](#) notes that vacancy rates in Ottawa highlight challenges with current market conditions. Newly built rental units have a vacancy rate of 6.7 per cent, suggesting that developers cannot produce new rental units that people can afford. At the same time, lower rent units are not turning over and have an overall vacancy rate of under one per cent, pointing to the steep competition for more affordable rental units.

Since Council approval, significant progress has been made across all five objectives of the Acceleration Plan. The October 2025 report established targeted implementation timelines for the actions outlined in the Acceleration Plan, identifying approximately 40 per cent of proposed actions for immediate implementation and a further 41 per cent within the current Term of Council. The Plan originally included 53 actions, with five additional actions added through Committee and Council motions, bringing the total to 58 actions. At the time of this report, 53 per cent of the 58 actions have been completed and is on track to reach 78 per cent by the end of 2026. The remaining actions are on track to be completed in 2027.

Key achievements of the Acceleration Plan since its approval in October 2025 include:

- ✓ The comprehensive overhaul of the Zoning By-law has created one of the most modern and enabling zoning systems in the country to better support gentle density, infill, and transit-oriented growth. The New Zoning By-law establishes expanded housing permissions, introduces a simpler form-based zoning framework, provides parking flexibility aligned with market demand, and removes barriers to modular and prefabricated housing methods (actions 1, 35, 46, 47 and 52)
- ✓ Increased capacity in Legal Services, the use of scoped Site Plan Agreements,

and the expansion and standardization of Letters of Undertaking enables faster processing of agreements and reduces approval timelines for development applications (actions 7, 8 and 9)

- ✓ The updated Development Application Studies and Plans By-law improves clarity, strengthens accountability, and supports more consistent applications moving forward (action 11)
- ✓ Community Benefits Charges were reduced for a period of 5 years, lowering development costs to support housing affordability and feasibility in the near-term (action 21)
- ✓ The payment of Development Charges for residential developments was deferred to occupancy, improving project cash flow and support housing project viability (action 22)
- ✓ The collection of Cash-in-lieu of Parkland was modified for an 18-month period, including deferred collection until occupancy, reduced for projects of less than 20 units in historical plans of subdivision within the greenbelt, waived for office-to-residential conversions, waived for small and adaptive developments, and capped within transit hubs and major corridors. These changes reduce upfront development costs and aim to support project feasibility in the near-term (actions 23, 24, 39, 45, 49)
- ✓ Through the Build Canada Homes Partnership an Implementation Table was established including representation from the City, Build Canada Homes, and the Canadian Lands Company Ltd. The Table will serve as a structured forum for monitoring progress and supporting implementation of the partnership, ensuring ongoing collaboration to support effective planning and development of surplus federal lands in Ottawa (actions 38 and 41)

A structured performance measurement framework has been developed to evaluate the extent to which the Acceleration Plan is achieving results over time. The framework defines the Plan's key outcomes and establishes indicators and measures to support ongoing performance assessment.

The report also provides an overview of the Bloomberg Associates development feasibility methodology. The model is intended as a high-level, Ottawa-specific tool to help contextualize the market conditions within which the Plan's actions are operating and to support understanding of what forms of housing are economically viable, and where, under different scenarios. Since the City has limited influence over macroeconomic conditions, the analysis underscores the importance of focusing on the levers the City does control to be well positioned to support development when

feasibility improves. The model is not a substitute for project-specific modeling; rather, it is a decision-support tool.

The model was applied to evaluate how the implementation of the Housing Acceleration Plan actions has impacted the feasibility of development projects. The results demonstrate that, while the combined impact of Acceleration Plan actions are not sufficient to convert infeasible projects to feasible ones in the current market environment, the actions do improve feasibility, particularly for projects close to viability. Importantly, modelling suggests that improvements made through the Acceleration Plan position projects to become viable more quickly if and when broader macroeconomic conditions improve. This highlights the importance of advancing the Acceleration Plan to avoid prolonging the crisis by enabling a faster and more effective recovery once conditions stabilize.

As part of the Housing Acceleration Plan in October 2025, Council approved the continued engagement of the Housing Innovation Task Force. Over the course of four meetings between December 2025 and April 2026, Task Force members provided industry perspective and feedback to City staff on the implementation of the actions in the Acceleration Plan.

Recommendation 2 of this report supports the full implementation of action 3 of the Acceleration Plan by enabling an amendment to the Tree Protection By-law, 2020-340 to replace the existing Tree Conservation Report Guidelines (Schedule E) with new streamlined guidelines. The new streamlined guidelines reflect the work completed to date under action 3 to improve the efficiency of tree reviews for development applications while continuing to protect and consider trees through the development review process.

Staff will continue implementing the remaining actions and will return to Council in Q2 2027 with the next progress update, including performance results from the measurement framework. It will also assess whether the Acceleration Plan remains aligned with housing needs and priorities. Based on this review, staff may recommend adjustments or additional actions to ensure the Acceleration Plan continues to reduce barriers to housing, support economic development, and improve quality of life for Ottawa residents.

RÉSUMÉ

Le 8 octobre 2025, le Conseil a approuvé le rapport du Groupe de travail sur l'innovation en matière de logement et le Plan d'accélération de la création de

logements ([ACS2025-SI-SPO-0002](#)) visant à repenser en profondeur l'approche de la Ville en matière de logement, en utilisant tous les outils à disposition de la municipalité pour susciter un changement transformationnel et ouvrir la voie à construction de nouveaux logements à court terme.

Ce rapport fait le point sur l'état d'avancement du Plan d'accélération de la création de logements et donne suite à la directive du Conseil de faire rapport sur les conditions du marché, les progrès réalisés dans la mise en œuvre du plan, l'adoption d'un cadre de mesure du rendement et la méthodologie de faisabilité économique mise au point par Bloomberg Associates.

Une analyse des conditions du marché, fondée sur les données de la Société canadienne d'hypothèques et de logement (SCHL), fait état d'une certaine amélioration à court terme des indicateurs clés depuis octobre 2025, mais les difficultés liées à l'accessibilité et à l'offre persistent. Les mises en chantier ont augmenté en 2025 (propulsées essentiellement par la construction d'immeubles à logements multiples et de logements construits à des fins locatives. Cependant, la SCHL prévoit un ralentissement des mises en chantier entre 2026 et 2028 en raison d'une croissance de la population en baisse, d'un volume élevé de logements déjà en construction, des coûts de construction élevés et d'une incertitude économique plus vaste. Les prix des maisons et les loyers restent nettement supérieurs aux niveaux d'avant la pandémie, et de nombreux ménages continuent de faire face à des difficultés liées à l'abordabilité. Le [Rapport sur le marché locatif 2025 de la SCHL](#) souligne que les taux d'inoccupation à Ottawa mettent en lumière les défis liés aux conditions actuelles du marché. Les logements locatifs neufs affichent un taux d'inoccupation de 6,7 %, ce qui laisse entendre que les promoteurs ne parviennent pas à produire de nouveaux logements locatifs abordables. Parallèlement, les logements à loyer plus faible n'ont pas de roulement et affichent un taux d'inoccupation global inférieur à 1 %, ce qui témoigne de la forte concurrence pour les logements locatifs plus abordables.

Depuis l'adoption du plan par le Conseil, des progrès importants ont été réalisés pour l'ensemble des cinq objectifs du Plan d'accélération. Le rapport d'octobre 2025 a fixé des calendriers de mise en œuvre ciblés pour les mesures décrites dans le Plan d'accélération, indiquant qu'environ 40 % des mesures proposées devaient être mises en œuvre immédiatement et 41 % supplémentaires au cours du mandat actuel du Conseil. Le plan comprenait à l'origine 53 mesures, auxquelles cinq mesures supplémentaires ont été ajoutées à la suite de motions du Comité et du Conseil, portant le total à 58 mesures. Au moment du présent rapport, 53 % des 58 mesures ont été

menées à bien et le plan est en bonne voie d'atteindre 78 % d'ici la fin de 2026. Les mesures restantes doivent être achevées en 2027.

Les principales réalisations du Plan d'accélération depuis son approbation en octobre 2025 sont les suivantes :

- ✓ La refonte complète du Règlement de zonage a permis de mettre en place l'un des systèmes de zonage les plus modernes et les plus favorables du pays, afin de mieux soutenir une densification modérée, la densification des zones intercalaires et une croissance axée sur les transports en commun. Le nouveau règlement de zonage élargit les autorisations en matière de logement, met en place un cadre de zonage simplifié basé sur la forme, offre une flexibilité en matière de stationnement adaptée à la demande du marché et supprime les obstacles aux méthodes de construction modulaires et préfabriquées. (mesures 1, 35, 46, 47 et 52)
- ✓ Le renforcement des capacités des services juridiques, le recours à des accords de plan d'implantation dont la portée est définie, ainsi que la généralisation et la normalisation des lettres d'engagement permettent d'accélérer le traitement des accords et de réduire les délais d'approbation des demandes d'aménagement. (mesures 7, 8 et 9)
- ✓ La mise à jour du Règlement sur les études et les plans requis pour les demandes d'aménagement améliore la clarté, renforce la responsabilisation et favorise une plus grande cohérence dans le traitement des demandes à l'avenir. (mesure 11)
- ✓ Les redevances pour avantages communautaires ont été réduites pour une période de cinq ans, ce qui a diminué les coûts de développement, ce qui favorise à court terme l'abordabilité et la faisabilité en matière de logements. (mesure 21)
- ✓ Le versement des redevances d'aménagement pour les projets résidentiels a été reporté jusqu'à l'occupation, ce qui a permis d'améliorer la trésorerie des projets et de favoriser la viabilité des projets de logements. (mesure 22)
- ✓ Le prélèvement des frais relatifs aux terrains à vocation de parc a été modifié pour une période de 18 mois, y compris un report du prélèvement jusqu'à l'occupation, une réduction pour les projets de moins de 20 logements dans les plans de lotissement historiques situés dans la ceinture verte, une exonération pour les conversions de bureaux en logements, une exonération pour les petits projets et les aménagements adaptatifs, ainsi qu'un plafonnement dans les pôles de transport en commun et les grands axes. Ces modifications réduisent

les coûts de développement initiaux et visent à favoriser la faisabilité des projets à court terme. (mesures 23, 24, 39, 45, 49)

- ✓ Dans le cadre du Partenariat avec Maisons Canada, une Table de mise en œuvre a été créée, composée de représentants de la Ville, de Maisons Canada et de la Société immobilière du Canada. Cette Table servira de forum structuré pour suivre les progrès du partenariat et soutenir sa mise en œuvre, en garantissant une collaboration continue afin de favoriser une planification et un aménagement efficaces des terrains fédéraux excédentaires à Ottawa. (mesures 38 et 41)

Un cadre structuré de mesure de rendement a été mis en place afin d'évaluer dans quelle mesure le Plan d'accélération produit des résultats au fil du temps. Ce cadre définit les principaux résultats attendus du Plan et établit des indicateurs et des mesures permettant d'assurer une évaluation continue du rendement.

Le rapport présente également un aperçu de la méthodologie de faisabilité économique mise au point par Bloomberg Associates. Ce modèle se veut un outil de haut niveau, adapté à la ville d'Ottawa, servant à contextualiser les conditions du marché dans lesquelles s'inscrivent les mesures du Plan et à mieux comprendre quels types de logements sont économiquement viables, et à quel endroit, suivant différents scénarios. Étant donné que la Ville n'exerce qu'une influence limitée sur les conditions macroéconomiques, l'analyse souligne l'importance de se concentrer sur les leviers qu'elle contrôle afin d'être bien positionnée pour soutenir le développement lorsque la faisabilité s'améliore. Le modèle ne remplace pas la modélisation spécifique de chaque projet; il s'agit plutôt d'un outil d'aide à la décision.

Le modèle a été appliqué pour évaluer l'incidence de la mise en œuvre des mesures du Plan d'accélération de la création de logements sur la faisabilité des projets de développement. Les résultats montrent que, même si l'effet combiné de ces mesures n'est pas suffisant pour rendre viables des projets initialement non viables dans le contexte actuel du marché, elles améliorent néanmoins la faisabilité, en particulier pour les projets proches de la faisabilité. Il est important de noter que la modélisation suggère que les améliorations apportées par le Plan d'accélération permettent aux projets de devenir viables plus rapidement lorsque les conditions macroéconomiques générales s'améliorent. Cela souligne l'importance de faire avancer le Plan d'accélération afin d'éviter de prolonger la crise en permettant une reprise plus rapide et plus efficace une fois que les conditions se seront stabilisées.

Dans le cadre du Plan d'accélération de la création de logements d'octobre 2025, le Conseil a approuvé la poursuite des travaux du Groupe de travail sur l'innovation en matière de logement. Au cours de quatre réunions tenues entre décembre 2025 et avril 2026, les membres du Groupe de travail ont fait part de leur point de vue et de leurs commentaires au personnel municipal concernant la mise en œuvre des mesures prévues dans le Plan d'accélération.

La recommandation n° 2 du présent rapport soutient la mise en œuvre intégrale de la mesure n° 3 du Plan d'accélération en permettant une modification du Règlement municipal sur la protection des arbres (2020-340) afin de remplacer les lignes directrices actuelles pour la production du rapport sur la conservation des arbres (annexe E) par de nouvelles lignes directrices simplifiées. Ces nouvelles lignes directrices simplifiées reflètent les travaux réalisés à ce jour dans le cadre de la mesure n° 3 visant à améliorer l'efficacité des révisions relatives aux arbres pour les demandes d'aménagement, tout en continuant à protéger et à prendre en compte les arbres tout au long du processus d'examen des projets d'aménagement.

Le personnel poursuivra la mise en œuvre des mesures restantes et présentera au Conseil, au deuxième trimestre 2027, un nouveau rapport d'étape comprenant les résultats de rendement issus du cadre d'évaluation. Il évaluera également si le Plan d'accélération reste en adéquation avec les besoins et les priorités en matière de logement. À la lumière de cet examen, le personnel pourrait recommander des ajustements ou des mesures supplémentaires afin de s'assurer que le Plan d'accélération continue de réduire les obstacles au logement, de soutenir le développement économique et d'améliorer la qualité de vie des résidents d'Ottawa.

BACKGROUND

On October 8, 2025 Ottawa City Council approved the Housing Innovation Task Force report and Housing Acceleration Plan ([ACS2025-SI-SPO-0002](#)). The Housing Innovation Task Force (the Task Force) was established by Council on January 29, 2025 ([OCC2025-50-24](#)) and met between April and September 2025. The work of the Task Force resulted in 83 recommendations intended to advise the City on potential strategies and incentives to promptly accelerate housing construction and reduce costs to make housing more affordable.

The Housing Acceleration Plan was informed by the Task Force work and recommendations. In addition to the Task Force recommendations, staff circulated open-ended surveys to the affordable housing and residential development sectors and

undertook research and analysis of leading practices to accelerate housing development.

The Housing Acceleration Plan (the Acceleration Plan) is tailor-made to address the specific challenges facing Ottawa, while maintaining a holistic, balanced view that considers all aspects of city-building.

The Acceleration Plan included 53 actions, and an additional five actions were added through motions of Committee and Council. Actions are organized under the five key objectives of the Acceleration Plan:

1. Simplify the regulatory environment and expedite approvals processes
2. Evolve City culture to be housing development friendly
3. Introduce more flexibility in fees and charges
4. Consolidate and strengthen capacity for Affordable Housing development
5. Unlock urban intensification and Transit Oriented Development

The Acceleration Plan recognizes that the challenges facing housing development in Ottawa are not for the City alone to solve. The housing system is complex and involves all levels of government, the private and non-profit sectors. To tackle the housing crisis, all actors in the system need to take meaningful action.

DISCUSSION

Ottawa Housing Market Update

As directed by Council (motion 2025-70-04), this section provides an update on the housing market conditions identified in the Housing Innovation Task Force and Housing Acceleration Plan report. Using the latest Canada Housing and Mortgage Corporation (CMHC) data, it highlights changes in key indicators—housing starts, rental conditions, and affordability—since October 2025. While some conditions have shifted slightly, the underlying challenges remain.

It should be noted that the housing market data used in the October 2025 report provided an overview of trends between 2019 to 2024, and in some cases to mid-2025. This report updates the analysis to include data for late 2025 and early 2026, where available. The relatively short period between the October 2025 report and this May

2026 update limits the extent to which changes in market conditions can be observed in the data.

The October 2025 report noted that housing starts in Ottawa had declined by 32.5 per cent between 2022 and 2024, reaching their lowest level since 2016¹, largely due to high land costs, escalating construction and labour costs, increased borrowing costs, and overall project viability challenges. When comparing 2024 to 2025, housing starts in Ottawa increased by approximately 38 per cent in 2025, surpassing forecasts.² This increase reflects strong growth in multi-unit developments in 2025, particularly purpose-built rental housing. The most recent CMHC housing starts data (March 2026) shows that housing starts in Ottawa increased by 14 per cent compared to March 2025. On a year-to-date basis, total housing starts in Ottawa are seven per cent higher than the same period in 2025.³ Although encouraging, CMHC forecasting in the Housing Market Outlook for 2026 predicts Ottawa, consistent with the national forecast, will experience a decrease in housing starts due to continued high construction costs and reduced competitive pressure making projects less financially viable. As a result, many developers are likely to delay new construction until market conditions improve. Sustained effort will be needed to further accelerate housing supply.

The October 2025 report noted that homeownership had become increasingly out of reach for many residents with the average resale price in Ottawa rising from approximately \$441,000 in August 2019 to more than \$686,000 in August 2025, a 55 per cent increase over a six-year period.⁴ Updated market information available through the end of 2025 shows that the average resale price of a home in Ottawa continued to rise and was approximately \$709,200 by the end of 2025, a 3.4 per cent increase over August 2025.⁵ Forecasting suggests a slowdown in price increases could be experienced in 2026, driven by a slower market in part due to anticipated job reductions in the public service.⁶ A slowing resale market combined with slowing housing starts will further limit near-term supply. However, the provincial government's temporary HST relief for newly built homes may help support affordability by lowering upfront purchase costs and improving project feasibility at the margin. This measure could provide some near-term stimulus in the new housing segment and help offset softer market conditions.

¹ CMHC Housing Starts and Completions Survey for 2022 and 2024, Ottawa Census Division.

² CMHC news release, January 16, 2026. "Housing starts up 5.6% in 2025 from 2024".

³ CMHC Monthly Housing Starts and Other Construction Data Tables, March 2026.

⁴ Ottawa Real Estate Board, News Release for August 2019 and August 2025.

⁵ CMHC Housing Market Outlook 2026, Ottawa key highlights

⁶ CMHC Housing Market Outlook 2026, Ottawa key highlights

The October 2025 report noted that renters in Ottawa were also facing significant affordability pressures. The report cited Statistics Canada data indicating that average asking rent for a 2-bedroom apartment in Ottawa (Ontario part of Ottawa-Gatineau CMA) was \$2,490 in the first quarter of 2025, a 27.3 per cent increase from the first quarter of 2019.⁷ And the city's vacancy rate increased 44 per cent from 1.8 per cent in October 2019 to 2.6 per cent in October 2024, below the 3.0 per cent threshold of a balanced market.⁸ More recent CMHC rental market information shows newly built rental units have a vacancy rate of 6.7 per cent, suggesting that developers cannot produce new rental units that people can afford. At the same time, lower rent units are not turning over and have an overall vacancy rate of under 1 per cent, pointing to the steep competition for more affordable rental units.

CMHC's 2026 Housing Market Outlook forecasts that Ottawa's pace of housing starts will slow in 2026 after a strong year in 2025 and is expected to remain slow through 2027–2028.⁹ This is consistent with the national forecast and reflects current market conditions that are increasing developer caution— slower population growth (including fewer international students), a large volume of units already under construction (particularly rental), elevated construction costs, and broader economic and trade uncertainty. Together, these factors are expected to soften rents (less competition for units) and weaken project viability, leading developers to delay or scale back new projects. Recognizing that these conditions may further constrain near-term supply, sustained effort is needed to support housing supply growth and housing affordability.

Support from higher orders of government

Recognizing that it takes investment from all levels of government to address the housing crisis, the federal and provincial governments have launched programs to incentivize and support municipalities in growing the housing supply. This has included the Housing Accelerator Fund (HAF) through the federal government to enable municipalities to address issues of underproduction. And the Building Faster Fund (BFF) through the provincial government to support housing-enabling infrastructure.

Recent announcements from both levels of government demonstrate a continued investment in housing and support municipalities. This has included the new [partnership](#) between the City of Ottawa and the Government of Canada through Build Canada

⁷ Statistics Canada. (2020). *Average asking rents for two-bedroom apartments, by census metropolitan area*. Statcan.gc.ca. <https://www150.statcan.gc.ca/n1/daily-quotidien/250625/cg-b001-eng.htm>

⁸ Statistics Canada. (2020). *Average asking rents for two-bedroom apartments, by census metropolitan area*. Statcan.gc.ca. <https://www150.statcan.gc.ca/n1/daily-quotidien/250625/cg-b001-eng.htm>

⁹ CMHC Housing Market Outlook 2026

Homes. This partnership is a joint investment of up to \$400 million and will significantly accelerate the construction of affordable housing in Ottawa over the near-term, including up to 3,000 mixed-income and affordable units.

On March 30, 2026, the provincial government announced a Canada-Ontario Partnership including the introduction of the Build Communities Strong Fund. As shared in an [April 8 memo to Council](#), part of the Canada–Ontario Partnership to Build, the federal and provincial governments have agreed to a cost-shared \$8.8 billion infrastructure funding program over 10 years to reduce municipal development charges (DCs). Funding will flow primarily through the Build Communities Strong Fund and will be prioritized for housing-enabling infrastructure projects in municipalities that reduce and maintain lower residential DCs. To access this funding, municipalities would be required to commit to residential DC reductions of between 30 and 50 per cent for a minimum of three years. The funding is intended to offset much of the revenue impact associated with these reductions, but municipalities are expected to contribute to the reduction, which could have financial implications. Municipalities are being asked to work with the Province to identify ready-to-build infrastructure projects eligible for support. In addition, Ontario has committed to not introducing new taxes that could hinder housing supply for a three-year period.

Motion [FCSC-PHC 2025-03-02](#), added to the Housing Acceleration Plan as action 56, directs staff to report back to Council with recommended actions to reduce development charges conditional on the City receiving equivalent funding from the federal or provincial governments. Staff are currently assessing the implications of this announcement and how it interacts with current Council direction.

Key Achievements since October 2025

The October 2025 report established targeted implementation timelines for the actions outlined in the Acceleration Plan, identifying approximately 40 per cent of proposed actions for immediate implementation and a further 41 per cent within the current Term of Council. The Plan originally included 53 actions, with five additional actions added through Committee and Council motions in October 2025, bringing the total to 58 actions. At the time of this report, 53 per cent of the actions have been completed and is on track to reach 78 per cent by the end of 2026. The remaining actions are on track to be completed in 2027. Document 1 of this report provides a full list of actions in the Acceleration Plan and the status of each.

The Acceleration Plan is structured to deliver on five key objectives and targeted to areas where the City has the greatest control and influence. Included below, organized by Plan objective, is an overview of the key achievements of the Acceleration Plan since its approval in October 2025.

1) Simplify the regulatory environment and expedite approvals processes

Actions included in the Acceleration Plan aim to remove unnecessary barriers, improve predictability, and create the conditions needed for new homes to be built more quickly and affordably.

Key achievements under this objective since October 2025 include:

- ✓ The comprehensive overhaul of the Zoning By-law has created one of the most modern and enabling zoning systems in the country to better support gentle density, infill, and transit-oriented growth. The New Zoning By-law establishes expanded housing permissions, introduces a simpler form-based zoning framework, and provides parking flexibility aligned with market demand. These changes reduce regulatory barriers and increase opportunities for housing construction city-wide (action 1)
- ✓ Tree permit issuance was aligned with building permit issuance. This alignment improves coordination across review functions while maintaining environmental protections (action 4)
- ✓ Urban Design Guidelines were updated to modernize urban design requirements and support more efficient and context-sensitive residential development (action 5)
- ✓ Capacity in Legal Services was increased to further support development review. This increase in legal capacity enables faster processing of agreements and reduces approval timelines for development applications (action 7)
- ✓ Scoped Site Plan Agreements are now applied to eligible development applications. These agreements reduce review complexity and accelerate approvals for lower-risk projects (action 8)
- ✓ The expansion and standardization of Letters of Undertaking, applied where appropriate within development approvals, reduces reliance on more complex legal agreements and improve processing timelines (action 9)

- ✓ The updated Development Application Studies and Plans By-law improves clarity, strengthens accountability and supports more consistent applications moving forward. Of the 49 studies that were previously listed, 14 are no longer required, 13 have proposed changes to thresholds or have work underway to change those thresholds. In addition, nine terms of references were updated (action 11)
- ✓ Sewer and Water Design Guidelines were updated to incorporate technical bulletins enhancing clarity and ease of use (action 15)

2) Evolving City culture to be housing development friendly

Applying a housing lens to align policies, zoning regulations, and development controls can help ensure the City is maximizing possibilities for housing, and ensure City actions collectively support housing objectives, make approvals more efficient and maximize development opportunities.

Key achievements under this objective since October 2025 include:

- ✓ Staff proactively work to resolve conflicts to minimize the need for matters to proceed to the Ontario Land Tribunal. This proactive approach forms part of Staff's ongoing duties and continues to be integrated into regular work processes (action 17)
- ✓ Parks planning staff supporting development review transferred to the Planning, Development and Building Services Department to streamline parkland approvals and improve integration within the development review process (action 18)
- ✓ Planning, Development and Building Services conducted a department-wide Journey Mapping Project. The Project has already produced results as it informed the transition from completeness review to completeness check which creates a more efficient, transparent, and predictable development review process (action 19)
- ✓ Increased in-office presence for City staff supporting faster issue resolution and improved coordination across development review teams (action 20)

3) Introduce flexibility in fees and charges

The Acceleration Plan aims to temporarily lower costs and improve cash-flow to enable housing to be built now rather than waiting for improved market conditions, and to encourage the type of development that aligns with the Official Plan.

Key achievements under this objective since October 2025 include:

- ✓ Community Benefits Charges were reduced from 4 per cent to 2 per cent of land value and further reduced to 1 per cent within Major Transit Station Areas (MTSAs), for a period of 5 years. These reductions lower development costs to support housing affordability and feasibility in the near-term (action 21)
- ✓ The payment of Development Charges for residential developments was deferred to the issuance of first occupancy permit, interest free for 18 months. Subsequently, this measure was implemented through Bill 17, where the residential deferral is interest free until first occupancy. This measure aims to improve project cash flow and support housing project viability (action 22)
- ✓ The collection of Cash-in-lieu of Parkland was deferred until occupancy for an 18-month period. This change reduces upfront development costs and aims to support project feasibility (action 23)
- ✓ Cash-in-lieu of Parkland was reduced for all projects of less than 20 units in historical plans of subdivision within the greenbelt to 5 per cent, for an 18-month period. This reduced rate lowers development costs and aims to support missing middle housing delivery (action 24)
- ✓ Building code fees were not increased in 2026 for residential developments. This measure helps reduce near-term construction costs to support housing project viability (action 25)

4) Consolidate and strengthen capacity for Affordable Housing

The Acceleration Plan includes a suite of coordinated actions to support a strong community housing sector, able to produce more affordable homes in reduced timelines.

Key achievements under this objective since October 2025 include:

- ✓ 16 city-owned sites, as identified through the Municipal Land Strategy, are currently undergoing design and site preparation activities. These activities include: analysis of development constraints and opportunities, preparing concept plans to illustrate development potential, undertaking Official Plan and Zoning By-Law updates to enhance developability, completing technical studies, and remediating contaminated sites where required (action 29)
- ✓ The updated Zoning By-law establishes expanded housing permissions, reducing regulatory barriers and increasing opportunities for housing construction city-wide including opportunities for residential uses on existing church and institutional sites (action 35)
- ✓ Simplifying the regulatory environment for not-for-profit housing providers, building on the one-stop shop of the development review all wards team established in 2023, has been advanced through the completion of the Development Application Studies and Plans By-law, Official Plan Amendment 47, and the new Zoning By-law. In addition, targeted exemptions from the Design Brief and Urban Design Review Panel processes are being implemented for eligible not-for-profit housing developments (action 37)

5) Unlock urban intensification and Transit Oriented Development

The Acceleration Plan introduced actions aimed at supporting a rebalancing of uses downtown to include a larger residential presence.

To ensure new housing units are provided in a manner that make our existing neighbourhoods more livable, actions promote greater gentle density and diverse typologies, opening the door to new housing options at a variety of price points and to different household sizes that contribute towards meeting the City's equity, climate, and affordability objectives.

Key achievements under this objective since October 2025 include:

- ✓ Through the Build Canada Homes Partnership between the City of Ottawa and the Federal government, an Implementation Table was established including representation from the City, Build Canada Homes, and the Canadian Lands Company Ltd. The Table will serve as a structured forum for monitoring progress and supporting implementation of the partnership and will ensure ongoing collaboration to support effective planning and development of surplus federal lands in Ottawa. Including sharing information on the pipeline of surplus

public properties (federal and municipal) in Ottawa and engaging in discussions on optimal uses of the properties to support city building priorities (actions 38 and 41)

- ✓ Cash-in-lieu of Parkland was waived for office-to-residential conversions, for an 18-month period. This waiver reduces development costs and supports adaptive reuse and increased residential supply within the downtown core (action 39)
- ✓ Regulatory changes and the further exploration of financial incentives to support downtown revitalization were introduced through the Downtown Revitalization Strategy and Action Plan (action 40)
- ✓ Zoning City lands in close proximity to transit and other amenities for mixed-use residential was achieved, in part, through the approval of the new Zoning By-law. City-owned sites where additional site-specific zoning amendments may be required will be advanced through the existing Zoning By-law process (action 42)
- ✓ Cash-in-lieu of Parkland was waived for small and adaptive developments, for an 18-month period. This waiver reduces development costs and supports infill, adaptive reuse, and missing middle housing delivery (action 45)
- ✓ Zoning barriers to modular and prefabricated housing methods were removed through the new Zoning By-law (action 46)
- ✓ Zoning provisions to support gentle density were included in the new Zoning By-law (action 47)
- ✓ A pre-approved building design program was implemented. This program enables expedited building permit issuance by allowing applicants to utilize pre-reviewed designs, supporting faster housing delivery, and reducing approval timelines (action 48)
- ✓ Cash-in-lieu of Parkland was capped at 10 per cent of land value for developments within transit hubs and major corridors, for an 18-month period. This cap improves project feasibility and supports intensification in priority growth areas (action 49)
- ✓ Increasing permitted building height to support intensification along transit hubs and major corridors was included in the new Zoning By-law (action 52)

Measurement Framework

A structured performance measurement framework has been developed to evaluate the results of the Acceleration Plan over time. The framework defines the Plan's key outcomes and establishes indicators and measures to support ongoing performance assessment. 2025 will be used for baseline data, with comparative results for 2026 reported to Council through the next Acceleration Plan progress update in Q2 2027, in accordance with Council direction (FCSCPHC 20250304). The Housing Acceleration Plan measurement framework is provided as Document 2 of this report.

The Acceleration Plan measurement framework includes the following key outcomes:

Housing approval timelines are reduced. The framework measures progress on this outcome through reductions within the City's control in the development applications timeline, decreases in the number of incomplete submissions received, and the increase in expedited legal agreements. Improvements in process efficiency are expected to reduce delays and associated construction costs.

Housing construction increases, with emphasis in urban and transit-oriented areas. The framework measures progress on this outcome through an upward trend in building permits. For alignment with the policy direction of the Official Plan and the Climate Change Master Plan, it will also measure progress on building permits for transit-oriented and infill developments.

Affordable housing availability increases. Progress will be measured through increases in building permits for affordable housing, including a specific focus on supportive housing as an indicator of responsiveness to the needs of vulnerable populations.

Bloomberg Methodology

Bloomberg Associates is the pro-bono consulting arm of Bloomberg Philanthropies, working with mayors to support cities around the world across nine different practice areas. Bloomberg Associates began working with the City of Ottawa in August 2024. In May 2025, the housing practice began supporting the Housing Innovation Task Force by providing bespoke advisory services and leading the development of an Ottawa-specific development feasibility model.

An overview of the Bloomberg model was shared in a [December 18, 2025 memo to Council](#), as directed by Committee motion approved on October 1, 2025 ([FCSC-PHC](#)

[2025-03-04](#)). The December 2025 memo described the analytical approach used in the model; this report presents the results of its assessment reflecting Q1 2026 market conditions. The detailed findings are included in Document 3 of this report.

The model uses Ottawa-specific research to look at four key components: building typologies, submarket differentiation, cost analysis, and revenue opportunity analysis. This model offers a unique view of both the cost and revenue inputs to allow for a greater understanding of how development projects are considered economically feasible in the current market.

The model is high-level, taking a whole-city view, and makes assumptions to present a generalized representation of a 'typical project' in Ottawa. The model is not a replacement for specific project modeling or modeling in support of specific policy recommendations. The full details of model assumptions are included in Document 3, Appendix 3.

Ottawa-specific Findings and Results

The baseline scenario of the Bloomberg model, reflecting Q1 2026 conditions, shows that under current market conditions virtually no "typical"¹⁰ development scenarios currently pencil-out across typologies and submarkets, this baseline is presented in figures 5 and 6 on page 12 of Document 3. This reflects the current challenging market, where projects are proceeding conservatively due to challenging market fundamentals and narrowed risk appetite. Bloomberg notes that the total growth in housing stock can be expected to slow significantly in these conditions. Several major factors driving current market dynamics are outside the City's control. These include construction costs, interest rates, and broader macroeconomic conditions, including the availability of equity and debt capital willing to invest in housing development both nationally and in the Ottawa market specifically.

To illustrate how economic conditions affect development feasibility in Ottawa, Bloomberg modeled two scenarios. The first reflects an improved economic environment, with stronger revenues, lower costs, and more favorable financing conditions. In this scenario, several development scenarios become feasible for both

¹⁰ The Bloomberg model recognizes that while there is no substitute for a detailed individual project modelling analysis conducted by a developer to determine the financial feasibility of a given project, assumptions about "typical" development projects can inform assessments about the broader real estate market. A "typical" project represents a development with average characteristics, construction methods, costs, and pricing for its building typology and submarket location. Document 3, Appendix 3 provides the detailed model assumptions.

for-sale and build-to-rent developments. The second is a more challenging environment, with weaker project economics and higher financing pressures. In this scenario, development scenarios become less feasible for both for-sale and build-to-rent developments.

Both scenarios are possible given the ever-changing economic environment currently. Since the City has limited influence over these macroeconomic conditions, the analysis underscores the importance of focusing on the levers the City does control to be well positioned to support development when feasibility improves.

Modeling the impact of Housing Acceleration Plan actions

Bloomberg used the model to evaluate several scenarios to illustrate the impact of the implementation of the Housing Acceleration Plan actions on the economic feasibility of development projects under current market conditions.

To illustrate the impact of objectives one (simplify the regulatory environment and expedite approvals processes) and two (evolve City culture to be housing development friendly) on project feasibility, pre-development timelines are reduced, and consultant costs are lowered. The scenario shows small improvement for both build-to-rent and for-sale developments. While these improvements alone are not enough to shift typical infeasible scenarios to feasible, they represent a significant benefit to projects that are currently on the margin, and the benefits stack with other actions implemented through the Acceleration Plan. For projects that are already close to feasibility, this kind of improvement can be the difference between proceeding and not. It also means that if macroeconomic conditions improve, the benefits compound: markets and typologies that are currently infeasible would cross into feasibility sooner than they otherwise would.

For objective three (introduce flexibility in fees and charges) the deferral of development charges payment at occupancy, the reduction in Community Benefits Charges and changes made to timing of payment and 18-month reductions in Cash-in-lieu of Parkland was modelled. While these fee and charges changes alone did not shift any typical typology and submarket combinations from infeasible to feasible, it did demonstrate an improvement in cash flow, which could influence developers to advance projects on the margins of feasibility, particularly when stacked with other Acceleration Plan actions. As noted above, this is significant for the ability to move projects to feasible sooner under improved market conditions.

To illustrate the potential magnitude of fees and charges reductions, a hypothetical scenario in which development charges were eliminated entirely was assessed. In this scenario, several typology and submarket combinations did become feasible showing significant improvements, even when underlying poor economics on some typical project types are not fully overcome. A more substantive analysis of development charges will be undertaken by Staff as part of the Development Charge Structure Review anticipated in Q3 2027 (action 26).

Objectives four (strengthening capacity for affordable housing) and five (unlock urban intensification and transit-oriented development) were not modelled as both project types do not fit into the 'typical' project used by the model. For both, Bloomberg notes project-specific modeling would need to be utilized to capture impacts. However, it is important to note that the greater the improvements across objectives one to three, the more likely all developments will benefit including affordable housing and urban-, infill-, and transit-oriented developments.

Continued Engagement of the Housing Innovation Task Force

As part of the Housing Acceleration Plan in October 2025, Council approved the continued engagement of the Housing Innovation Task Force throughout the implementation of the Acceleration Plan to continue to offer industry perspective and feedback to staff. [Task Force membership](#) remained unchanged from 2025 and met four times between December 2025 and April 2026. Over the course of their meetings, the Task Force members provided industry perspective and feedback to City staff on the implementation of the actions in the Acceleration Plan.

Report recommendations to enable the continued implementation of Acceleration Plan actions

Recommendation 2 supports the full implementation of action 3 of the Housing Acceleration Plan. Work completed to date under this action has included streamlining the Tree Conservation Report Guidelines, introducing a Tree Information Report checklist, and updating infill development process guidance to incorporate excavation limits. Recommendation 2 will enable an amendment to the Tree Protection By-law, 2020-340 that replaces the existing Tree Conservation Report Guidelines (Schedule E) with the new streamlined guidelines developed through the implementation of action 3. Together, these changes will improve the efficiency of tree reviews for development applications while continuing to protect and consider trees through the development review process.

Next Steps

Work continues on the implementation of the remaining 'in progress' actions in the Housing Acceleration Plan, as outlined in Document 1 of this report.

The next progress report is planned for Q2 2027 to provide Council with an update on the implementation of the Acceleration Plan, including results the measurement framework.

FINANCIAL IMPLICATIONS

Objective three of the Acceleration Plan is to introduce more flexibility in fees and charges. The actions under this objective aim to introduce flexibility by adjusting timing of when City fees and charges are collected and applying reductions or waivers of fees and charges in the short-term while comprehensive reviews are advanced in the medium-term. Council's approval of the Acceleration Plan included immediate changes to four City fee and charges: Building Code Service fee, Community Benefits Charges (CBC), Cash-in-Lieu of Parkland Charges (CILP) and residential Development Charges (DC). Below captures the foregone revenue of these changes since October 2025.

The 6.75 per cent increase in 2026 Building Code Service fees that was deferred for residential properties was estimated to be \$1.3 million for 2026. Collection to date, from January to the end of March, has reduced revenues in the amount of \$275,000.

The reduction in the CBC rate from four percent to two percent and one percent within Major Transit Station Areas (MTSAs) has reduced revenues in the amount of \$2.8 million.

Cash-in-lieu of Parkland collection has been deferred until occupancy for an 18-month period, this has resulted in the deferral of \$5.5 million from planning applications. Cash-in-lieu of Parkland collection has been deferred on issued Building permits in the amount of \$940,000, and an additional \$850,000 on Building permits pending issuance.

The residential DC deferrals approved by Council and subsequently implemented by Bill 17 (Protect Ontario by Building Faster and Smarter Act, 2025) have delayed the collection of residential development charges to first occupancy. Since the implementation of the deferral DC receipts have declined 46 per cent, equivalent to \$6 million less per month compared to the 5-year average within the same periods. The temporary shortfall and DC reserves continue to be monitored. The impact will be analyzed as part of future budget processes and may require adjustments to the timing of some projects, or increase the use of DC-related debt, the cost of which can be

recovered in the next Development Charge Background Study.

LEGAL IMPLICATIONS

There are no legal impediment to implementing the report recommendations.

COMMENTS BY THE WARD COUNCILLOR(S)

This is a city-wide report.

CONSULTATION

Council approved the continued engagement of the Task Force throughout the implementation of the Acceleration Plan to continue to offer staff feedback and industry perspective. Task Force membership remained unchanged from 2025 and met four times between December 2025 and April 2026. When the Task Force was formed both the Greater Ottawa Home Builders' Association (GOHBA) and the Building Owners & Managers Association (BOMA) were engaged to provide representatives to sit on the Task Force to ensure broad representation of the development industry.

ACCESSIBILITY IMPACTS

All applicable accessibility standards will be adhered to through the implementation of the Acceleration Plan.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications for this report.

CLIMATE IMPLICATIONS

The Housing Acceleration Plan presents opportunities to advance the City's climate change objectives and align with the policy directions of the Official Plan.

Modular and Prefabricated Construction

Modular and prefabricated construction methods can contribute to reducing the environmental impact of new housing development. Off-site fabrication significantly reduces construction waste, shortens timelines, and limits on-site disruption, thereby lowering associated emissions and improving air quality. These methods also allow for more consistent integration of energy-efficient design, materials, and building systems at the outset, thus precluding the need for costly retrofits in the future.

Sustainable Growth and Intensification

Urban intensification contributes to the City's climate mitigation goals. The Official Plan emphasizes sustainable land use patterns that make efficient use of land, infrastructure, and public services. The Acceleration Plan will reinforce the City's intensification targets through innovative housing solutions within the urban boundary. Concentrating growth in existing serviced areas reduces automobile dependence, increases the viability of transit and active transportation, and lowers per-capita emissions. These outcomes align with the actions recommended in the Energy Evolution Strategy and contribute to cost-effective infrastructure management.

DELEGATION OF AUTHORITY IMPLICATIONS

Any delegation of authority implications will be identified through the implementation of individual actions within the Acceleration Plan.

ECONOMIC IMPLICATIONS

Advancing the Housing Acceleration Plan will have positive and measurable economic impacts for Ottawa. Increasing the supply and affordability of housing directly supports talent attraction and retention, which is a strategic priority of the City's Economic Development Strategy and Action Plan. Employers across key sectors have identified housing costs and availability as barriers to recruiting and keeping skilled workers. Addressing these pressures will support long-term growth of these in these sectors, help retain a diverse workforce and strengthen Ottawa's competitiveness relative to other Canadian and North American cities. By stimulating construction activity during a period of broader economic uncertainty, the Plan will also generate immediate economic benefits through job creation in the building trades and related industries. Moreover, greater housing affordability reduces the risk of displacement and reinforces Ottawa's reputation as a sustainable and inclusive city.

Together, these measures aim to accelerate much needed housing starts, enhance Ottawa's overall economic resilience, and improve the city's investment climate and capacity to innovate.

ENVIRONMENTAL IMPLICATIONS

There are no environmental implications resulting from the recommendations in this report.

INDIGENOUS, GENDER AND EQUITY IMPLICATIONS

There are no anticipated indigenous, gender and equity implications. Further consideration will be provided for all actions included in the Acceleration Plan, when being advanced or implemented.

RISK MANAGEMENT IMPLICATIONS

There are no risk management implications resulting from the recommendations in this report.

RURAL IMPLICATIONS

This is a city-wide report, there are no specific rural implications anticipated.

TECHNOLOGY IMPLICATIONS

There are no anticipated technology implications. Subsequent technology implications will be identified through the implementation of individual actions within the Action Plan.

TERM OF COUNCIL PRIORITIES

The Housing Acceleration Plan supports the following Council Strategic Priority: A city that has affordable housing and is more liveable for all. And specifically supports the following strategic objective: increase housing supply and support intensification.

SUPPORTING DOCUMENTATION

Document 1 – Housing Acceleration Plan action status update

Document 2 – Housing Acceleration Plan Measurement Framework

Document 3 – Bloomberg Development Feasibility Model

Document 4 – Revised Tree Protection By-law

DISPOSITION

The Strategic Initiatives Department will work with the Planning, Development and Building Services Department, Legal Services, the Recreation, Cultural and Facilities Services Department, the Finance and Corporate Services Department, and the Infrastructure and Water Services Department to implement Council decisions arising

from this report.