

Official Plan and Zoning By-law Amendment Proposal Summary

File Number: D01-01-22-0003, D02-02-22-0022

Date: February 24, 2026

Applicant: City-Initiated

Comments due date: March 9, 2026

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Site Location

City-Wide

Summary of Proposal

The City of Ottawa has initiated an Official Plan Amendment and Zoning By-law Amendment to implement policy updates to the Official Plan and establish the regulations in the Zoning By-law in support of establishing the framework for Inclusionary Zoning (IZ). The amendments are intended to ensure that the proposed Official Plan and Zoning By-law policies and regulations align with Provincial legislative and regulatory requirements as described in sections 16(4), 35.2, and Ontario Regulation 232/18.

Proposal Details

The modifications include replacement of Section 4.2.5 of the Official Plan in entirety, and the addition of a new regulatory section to be included within the Zoning By-law (Section 5: Residential Provisions in 2008-250, and Section 7: Housing Provisions in the New Zoning By-law) in order to bring Inclusionary Zoning into effect in designated areas, subject to future market and housing equity triggers.

Parameter	Recommendation	Mechanism
Authority	Provides authority for the use of Inclusionary Zoning in the City of Ottawa	Official Plan
Goals & Objectives	Set out the specific goals and objectives of the IZ policies.	Official Plan
Geographic Application	Applies entirely within Protected Major Transit Station Areas (PMTSAs). No sub-market approach is currently recommended.	Official Plan
Minimum Development Threshold	Will apply to 80 or more residential units or 6,000 square metres or more of residential Gross Floor Area (GFA), applicable to both purpose-built rental and condominium developments.	Official Plan & Zoning By-law
Maximum Set-aside Rate	Zero (0) percent, subject to review in the next market assessment. Note the set-aside rate is capped by provincial legislation at a maximum of Five (5) percent and must be substantiated by a market assessment.	Official Plan & Zoning By-law
Transition Period	Where an existing set-aside rate is proposed to increase, up to 2-year transition period will be included in the Zoning By-law.	Official Plan & Zoning By-law
Affordability Term	Caps the affordability term at the maximum length of 25 years as permitted by provincial legislation.	Official Plan & Zoning By-law
Affordability Depth	Aligns with the new income-based municipal definition of affordability in the forthcoming 10 Year Housing and Homelessness Plan update, calibrated with the “Affordable Residential Units for the Purposes of the Development Charges Act, 1997 Bulletin.”	Official Plan & Zoning By-law
Range of Household Incomes	Specific range of households targeted are 4 th to 6 th income deciles (owner and renter households) as identified through the “Affordable Residential Units for the Purposes of the <i>Development Charges Act</i> , 1997 Bulletin.”	Official Plan & Zoning By-law
Measures and Incentives	Supports alignment with existing TIEG and additional programs to be explored through development of Inclusionary Zoning Implementation Guidelines, impact of existing provincial and municipal DC, CILP and CBC exemptions will be assessed in the next market assessment report.	Official Plan & Zoning By-law
Unit Standards	Requires IZ units to be non-differentiated from market units and proportional to the unit mix of the market component of the development.	Official Plan & Zoning By-law
Off-site Units	Permits units to be located or consolidated in another development by way of a Zoning By-law Amendment or equivalent alternative process as identified in the Inclusionary Zoning Implementation Guidelines.	Official Plan & Zoning By-law

Maintenance of Affordability	Requires a restrictive covenant to be added on title specifying resale and rental value as indexed to the affordability levels set out and updated from time to time in the “Affordable Residential Units for the Purposes of the <i>Development Charges Act, 1997</i> Bulletin.”	Official Plan & Zoning By-law
Agreements	Requires the property owner to enter into an agreement with the municipality to ensure continued compliance with IZ requirements, to be registered on title.	Official Plan & Zoning By-law
Housing Market Assessments	Establishes both a "Market Trigger" and “Housing Need” monitoring framework with reporting on a two-year cycle to ensure the program remains responsive to evolving conditions.	Official Plan
Net Proceeds from Resale	Establishes that the City will receive 50 percent of the net proceeds in the event an affordable ownership unit is sold at a market price following the expiration of the affordability period.	Official Plan

The full proposed policies and regulations are presented in the document attached to this summary and can also be found alongside information and materials related to Inclusionary Zoning at the [Inclusionary Zoning website](#).

Timelines and Approval Authority

The target date for consideration of the Official Plan Amendment and Zoning By-law Amendment by the City’s Planning and Housing Committee, is April 1, 2026.

Appeal Rights

Pursuant to s.16(24.1.2), s.16(36.1.2), s.34(11.0.6) of the *Planning Act* there is no appeal in respect of policies, requirements or standards that are part of such policies, nor is there any appeal in respect of all or any part of an application for an amendment to a by-law that proposes to give effect to Inclusionary Zoning.

Stay Informed and Involved

1. Register for future notifications about this application and provide your comments by e-mailing me and adding “Inclusionary Zoning” in the subject line.
 - a. Please note, comments will continue to be accepted after the initial comment period due date noted above. However, comments received after the above date may not be reflected in the staff report.
2. Access submitted plans and studies regarding this application online at the [Inclusionary Zoning website](#).
3. If you wish to be notified of the decision on the application, you must make a written request. My contact information is below.

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 City of Ottawa



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