



SEPTEMBER 2025

AUDIT OF DEVELOPMENT APPLICATION REVIEW



Office of the
Auditor General
City of Ottawa

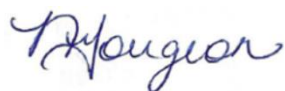
Table of Contents

Acknowledgement	1
Introduction	2
Background/Context.....	2
Audit Objective and Scope	5
Conclusion	5
Audit Findings and Recommendations.....	6
Appendix 1 – Common Development Application Types.....	19
Appendix 2 – Development Application Review Decision Process Flow	21
Appendix 3 – Development Application Post-Approval Process Flow	22
Appendix 4 – About the Audit.....	23
Appendix 5 – Rating Scale for Audit Findings	26

Acknowledgement

The audit was conducted by Cory Richardson and Moriah Gibbs from the Office of the Auditor General, with input from independent consultants from Johnston Litavski Ltd. under the supervision Joanne Gorenstein, Deputy Auditor General and my direction. My colleagues and I would like to thank those who contributed to this audit.

Respectfully,



Nathalie Gougeon, CPA, CA, CIA, CRMA, B. Comm
Auditor General

The **Fraud and Waste Hotline** is a confidential and anonymous service that allows City of Ottawa employees and members of the general public to report suspected or witnessed cases of fraud, waste or serious wrongdoing 24 hours a day, seven days a week.

www.ottawa.fraudwaste-fraudeabus.ca / 1-866-959-9309

Introduction

The Audit of Development Application Review was included in the 2024-2025 Audit Work Plan of the Office of the Auditor General (OAG), approved by City Council (Council) on December 6, 2023. This audit was specifically selected as development application review is a key process related to Council's strategic objectives related to increasing housing supply and increasing housing options for affordable housing.

Background/Context

Development application review is the process by which the City of Ottawa (the City) manages requests from individuals and organizations to undertake development activities across the City. Development activities are those that result in a change of land use; the construction or addition to buildings; or the creation of a parcel of land.

Legislative Background

Ontario's [Planning Act](#) (the Act) is the primary provincial legislation, in conjunction with the [Municipal Act](#), that determines the rules for land use in the province and grants the authority for land use planning to the municipal governments. The [Provincial Planning Statement](#) under the Act, provides policy direction on land use planning and development, including:

- increasing the housing supply;
- promoting sustainable development, including growth;
- protecting the environment and natural resources; and
- supporting public health and safety.

The Act requires that the City use the granted authority to establish planning documents to determine planning goals, policies, and guidance for land use. The City does this through the [Official Plan](#) which establishes planning goals, policies, and a guide for land use; and, the [Zoning By-Law](#), which establishes the rules and regulations of development, and is a key tool used to support the Official Plan. The Zoning By-Law is currently under a comprehensive review, with a new Zoning By-Law expected to be in place in 2026 that takes into consideration the legislative changes in recent years.

There have been a number of recent legislative changes impacting the Act and the development application process, including:

- [Bill 109, More Homes for Everyone Act, 2022](#) (Bill 109) – key changes included delegating authority to municipal staff to decide on [Site Plan Controls](#), reducing legislative timelines; as well as mandating a pre-consultation phase.

- [*Bill 185, Cutting Red Tape to Build More Homes Act, 2024*](#) (Bill 185) – key changes included the removal of mandatory refunds for not meeting Planning Act application timelines and removing the previously established mandatory pre-consultation phase.
- [*Bill 17, Protect Ontario by Building Faster and Smarter Act, 2025*](#) (Bill 17) – this was announced in May 2025 and received Royal Assent in June 2025; subsequent to our audit fieldwork. This has further impacts on land planning and development, including changes to development charges¹ and enables the Minister of Municipal Affairs and Housing to determine, through regulations, what will be acceptable to deem an application complete.

Planning Services

The City has an established Planning Services team working within the Planning, Development & Building Services Department (PDBS).

Development applications are reviewed by Planning Services to ensure that the proposed development is consistent with the Act, the Provincial Planning Statement, the City's Official Plan, Zoning By-law, and other planning principles. Additionally, subject matter experts across the City, such as Infrastructure & Water Services and Recreation, Cultural & Facility Services Departments, as well as external agencies such as the Conservation Authorities and utilities contribute to reviews, ensuring proposed development is appropriate from a technical perspective and compatible with municipal assets.

There are several categories and types of development applications that are submitted and reviewed by Planning Services and relevant subject matter experts, including those which seek to modify the uses that are permitted on a parcel of land, those that seek to create new lots, and those that wish to develop on existing lots. A description of the most common types of applications as well as timelines and decision authorities can be found in [Appendix 1](#).

Development application fees are charged based on the type of application, generally scaling with complexity of the development and are collected with the goal of recovering the cost of review. The 2024 fees represented a 17% increase from 2023 and a 37.3% from 2022 in order to account for required service level increases introduced as part of Bill 109. While municipalities across the province use different basis to charge development fees, the City's user fees are relatively consistent to comparable municipalities for most application types.

¹Development charges are fees imposed by municipalities on new developments to help cover the capital costs of infrastructure and services needed to support growth, governed by the [Development Charges Act, 1997](#).

Development Application Review Process

The City's development application review process involves several key steps to ensure that new developments align with the City's Official Plan and zoning regulations. The process flow for development review is depicted in [Appendix 2](#) and [Appendix 3](#). The following highlights the key steps in the process.

- **Pre-Consultation:** Although no longer mandatory as a result of Bill 185, the City strongly encourages pre-consultation with City staff. This step helps identify the scope of the project and necessary studies and plans required to support the application.
- **Completeness Check:** The applicant submits the development application along with all required documents and fees; at which point they are reviewed by City staff. Once deemed complete, the City issues a Completeness Letter.
- **Circulation:** The application undergoes a detailed review by City and external subject matter experts. Public notifications may include on-site signs and mail notices. For certain applications, a Ward Councillor may, with the applicant, hold a community information session to provide information to the public about the proposal and seek input. Reviews often result in comments to applicants that must be addressed before moving forward and can include several iterations.
- **Decision:** The City prepares a report summarizing the application, public comments, and technical reviews. This report includes recommendations for approval, approval with conditions, or denial. Depending on the type of application, the decision may be made by management (e.g. Site Plan Control) under delegated authority, recommended by a committee (i.e. Planning and Housing and/or Agriculture and Rural Affairs Committee, depending on geography), to Council (for Zoning By-Law and Official Plan Amendments), or by Committee of Adjustment (for Minor Variances and Severances). The Committee of Adjustment is a quasi-judicial, independent, administrative tribunal appointed by Council.
- **Appeal:** If there are objections to the decision, depending on the application type, there may be an opportunity for the applicant to appeal to higher authorities such as the Ontario Land Tribunal (Tribunal). The Tribunal adjudicates matters related to land use planning, environmental and natural features and heritage protection, land valuation, land compensation, municipal finance, and related matters.

- **Post-Approval:** For applications relating to lot development, the process continues after the approval. This includes the development and registration of agreements, submission of securities, insurance, and the issuance of permits. Site inspections confirm conformance with approved plans and are required for the City to be able to release securities.

The City currently uses the Municipal Application Partnership (MAP) software to track the status of development applications. Though the City will be transitioning to a more modern Land Management System (LMS), MAP is currently the system of record.

Audit Objective and Scope

The objective of this audit was to provide reasonable assurance that the City has the necessary processes, controls and resources to effectively and efficiently manage development application review activities.

The scope of this audit included testing the most common types of development applications including: Official Plan and Zoning By-Law Amendments, Site Plan Control, Plans of Subdivision, as well as Minor Variances and Severances. Other types that represent a small percentage of overall applications processed by the City (e.g. Lifting of Part Lot Controls, Plans of Condominium, applications under the *Ontario Heritage Act*, and Demolition Controls) were not included in our scope. Additionally, Urban expansion or other City-initiated land planning activities were not specifically examined in this audit.

The process to calculate development charges was not considered in this audit and may be considered for a future audit. In addition, the permitting activities conducted by Building Code Services were also out of scope for this audit.

Refer to [Appendix 4](#) for additional details on the objective, criteria, and approach to the audit. This audit was conducted in conformance with the Institute of Internal Auditors International Standards for the Professional Practice of Internal Auditing².

Each finding in this report has been assigned a rating that prioritizes the associated remediation. Rating definitions are provided in [Appendix 5](#).

Conclusion

The City is under immense pressure from the federal and provincial governments, industry, and Council to expedite development approvals; specifically in support of housing development across the City. This has been manifested in multiple, significant and ongoing legislative changes as well as strategic priorities directly targeting development.

²[IIA Standards](#)

The City has been navigating these provincial changes while balancing Council's strategic objectives to increase housing with its fundamental role as a regulator and a steward of municipal assets. Reacting to these pressures, the process of reviewing development applications has experienced substantial changes in recent years. Recognizing the importance of consistency across files, Planning Services introduced a team approach to file management which has been noticed as having positive impacts on development review. This has resulted in a trend of decreasing net City processing times to decision for many types of applications, while maintaining key controls involving collaboration across several City departments.

Despite the efforts and dedication across all City departments, bottlenecks and inconsistent expectations across City departments remain and have resulted in increasing overall development review timelines for specific types of applications. This is most prominent in the post-approval agreement development stage, where significant delays can result in legal risks as well as increased developer costs which can ultimately impact affordability. Additionally, our audit noted that as part of the internal review process of development applications, internal decision-making authorities have not been formally established and there is limited documentation to confirm that comments from various subject matter experts have been closed to allow the file to move to the next stage of the application process. Finally, opportunities exist to increase the transparency of process outcomes, including publishing key metrics that are most relevant to Council, the development industry, and other stakeholders.

Additional opportunities to further the program were outlined in a management letter, which was provided directly by the OAG to management.

Value of Audit:

Given the direction to continue to streamline the development application review process, the audit has provided insights into bottlenecks and existing challenges to support increased efficiency, effectiveness and transparency within the program.

Audit Findings and Recommendations

1. Post-Approval Activities

When specific development applications (most significantly Site Plan Controls and Plans of Subdivision) are approved, either by delegated authority or by Council, legal agreements must be prepared, signed, and registered with the Land Registry Office of

Ontario. The City's Legal Services department plays a critical role in developing and executing these agreements. See [Appendix 3](#) for a process flow of the activities in this phase.

Agreement development and registration is a crucial part of the process for the City and developers, providing legal clarity to both parties and reducing the risk of legal disputes. For the City, agreements outline the obligations of the developer, including infrastructure improvements, financial contributions, and other conditions required for the development. The registration process ensures that these agreements are legally binding and enforceable. For developers, the agreements provide written expectations of the City, offer project certainty and in many cases are required for the financing of construction.

1.1 The average time for post-approval stages of preparing, advancing, and registering agreements is increasing.

Priority
Rating: High

Chart 1 below represents the historical timelines for registration of site plans (i.e. the post-approval phase after Planning Services has approved the Site Plan Control).

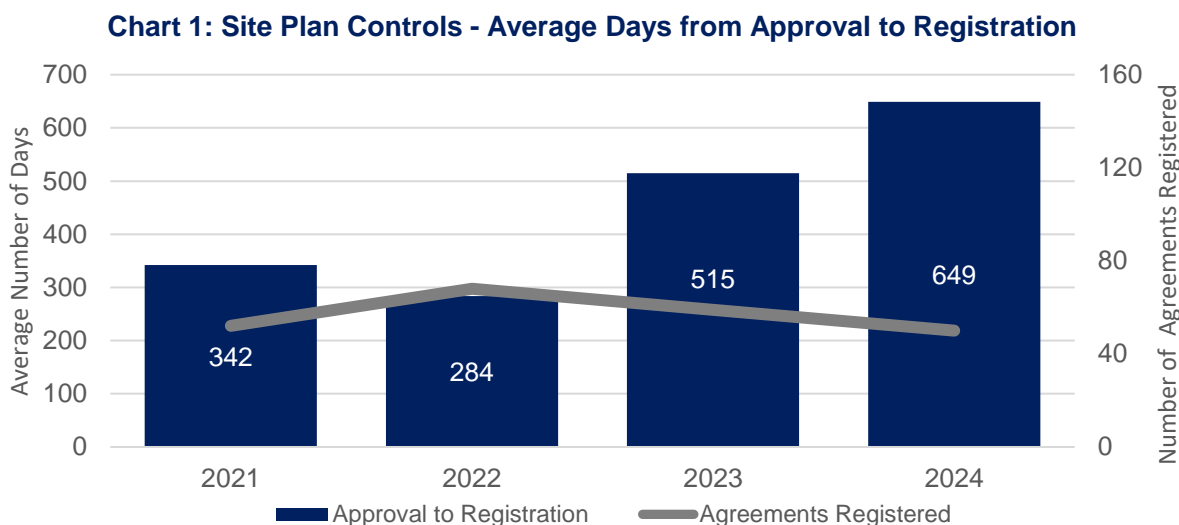


Chart 1: Average days from approval to agreement registration for Site Plan Controls, by year of registration, as well as total number of Site Plan Agreements registered per year. (Source: MAP).

As shown in **Chart 1** above, since 2022, the time to register an agreement has significantly increased from 284 days to 649 days, with a slight decrease in the number of agreements registered from 68 to 50. We understand that the complexity of Site Plan Agreements has been increasing, primarily due to less available greenfield land for development. These more complicated infill projects can require more preparation, review and conditions.

The agreement preparation process for Plans of Subdivision is significantly more involved than what is required for Site Plans, as an applicant must meet limited requirements to reach draft approval. As a result, the bulk of work is done after the draft approval and is largely driven by developers. Additionally, market forces can change quickly, making some subdivisions unviable for months or years, impacting average times to agreement registration. **Chart 2** below shows post-draft-approval times for Plans of Subdivision, with 2024 reaching 1,319 days (or 3.6 years on average) from draft approval to registration.

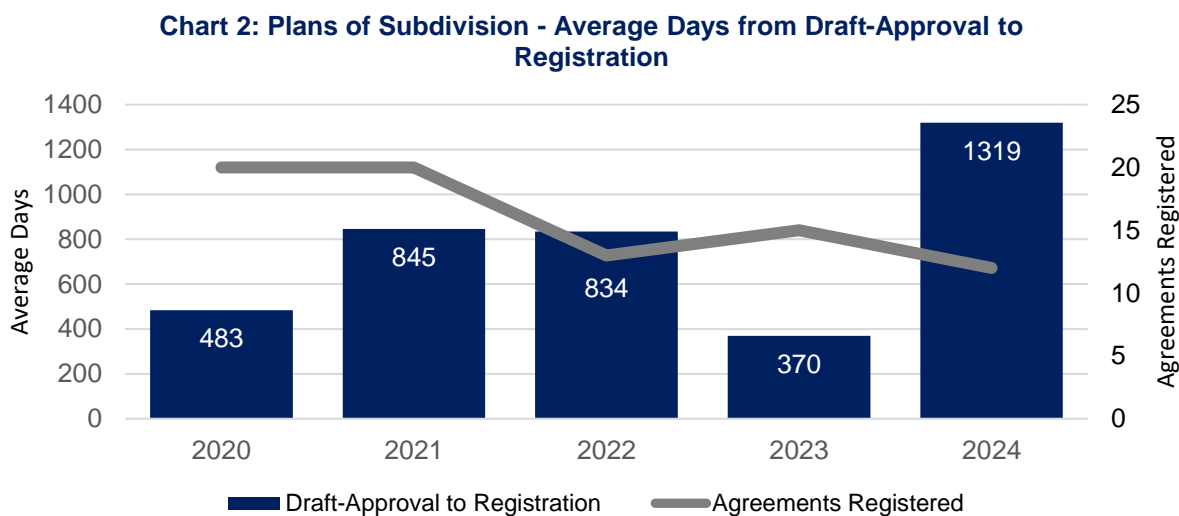


Chart 2: Average days from draft approval to registration for Plans of Subdivision, by year of registration, as well as total number of Plans of Subdivision agreements registered per year. (Source: MAP).

It should be noted that for both application types, the figures are average timelines. Our analysis did identify that there are outliers which are pulling up the averages.

As part of our audit, concerns were expressed with the limited transparency and delays in the process to prepare and finalize agreements for Site Plans and Plans of Subdivision. According to developers, delays in the agreement process have been one of the most significant pain points and can cause housing development closings to be missed.

Process/Resource Constraints

We understand that several issues exist impacting the agreement preparation timelines within the City. These include:

- incomplete or inadequate submissions from applicants to prepare agreements;
- late consultation by Planning Services with Legal Services on files;
- aggressive developer attempts to “skip the line”; and
- inconsistent conditions from different departments (i.e. conditions that contradict).

In addition to the above issues, we understand resource constraints have been a challenge to agreement finalization. Unlike some municipalities, there are no dedicated solicitors within Legal Services who focus exclusively on development agreements.

Similar concerns were raised in the past; specifically, in 2020, when a consultant report was issued which reviewed the City's development agreement process. While progress has been made on some of the issues, formal tracking or follow-up of recommendations has not been performed. We understand from management that, during the course of the audit, meetings between Legal Services and Planning Services have resumed to try to address existing issues.

Tracking of Active Files

As mentioned earlier, Municipal Application Partnership (MAP) is used across the City to track the status of most application files. This is achieved by logging the stage/activity the application is currently in. This allows all internal stakeholders to have a consistent view of the status of each application file as well as monitor timelines. In the post-approval stages, however, the status of the files are not regularly updated in the system. Legal Services independently tracks agreement files. This makes it difficult for the Planning File Lead (key contact and project manager for a given application) to know the status of the file during post-approval.

We understand that the average times to register an agreement includes significant amounts of time that the file is with an applicant for a variety of reasons; however, the time that the file is back with the applicant is not tracked in the system. At the same time, we understand that there can be limited communication between the Planning File Lead and Legal Services on the status of files, which can lead to confusion and frustration for stakeholders.

These silos between departments are also manifested in reporting, wherein our audit noted that there are some inconsistencies in annual reported statistics between Legal Services (through the semi-annual reporting of Legal Services activities to the Finance and Corporate Services Committee) with Planning Services statistics in MAP for the number of registered agreements. For example, in 2024 Legal Services reported that 44 Site Plan Agreements and 15 Subdivision Agreements were registered; while MAP has 50 and 12 agreements, respectively.

City Mitigations – Early Servicing

Due to the significant pressure to expedite development, “early servicing” has been an option for some applications when there are delays in post-approval. The goal of early servicing is to advance the development process by ensuring that essential services are

in place, allowing construction to begin sooner. This approach can help address housing shortages and meet community needs more quickly.

Early servicing in the context of Plans of Subdivision refers to the early provision of municipal services and infrastructure to a development site before the final approval of the subdivision. This can enable work to begin before the agreement is finalized for services such as water, sewage, roads, and utilities. For Plans of Subdivision, the draft approvals and early servicing agreements are legally enforceable, giving the City recourse in case of litigation – despite a final agreement not being in place.

We understand from management that this method of accelerated development has also occurred with Site Plan Controls when there are delays in the agreement development process. This is known as limited commencement of work. In these cases, there is no formal agreement between parties and limited legally enforceable recourse, exposing the City to more legal risk than the early servicing for Plans of Subdivision. While these arrangements are limited to private property, management recognizes that these can pose a risk to the City.

Overall, extended timelines can often result in higher construction and administrative expenses for developers, ultimately slowing down the availability of housing supply and potentially impacting affordability. Additionally, if work begins before agreements are registered, the City risks not being able to legally enforce conditions of approval or litigate other disputes. For File Leads, without insights into the status of a file during post-approval and associated transparency, it impacts the relationship between the City and applicants.

RECOMMENDATION 1 – RESOURCING ANALYSIS

The City Solicitor should perform a resourcing analysis to determine the appropriate complement of dedicated Legal staff to effectively prepare, advance, and register development agreements given Council’s strategic priority of increased housing development.

MANAGEMENT RESPONSE 1

Management agrees with this recommendation. In addition to the efforts mentioned above, Planning services is working with Legal Services to review and modernize development agreements to reduce the amount time of individual reviews.

In the short term, Planning Services and Legal Services will review resources and prioritize the current agreements to facilitate construction of housing. The recommendation will be completed by end of Q4 2025.

RECOMMENDATION 2 – DEFINE AND COMMUNICATE REQUIREMENTS AND EXPECTATIONS

The City Solicitor, in collaboration with the Director of Planning Services, should formally define and communicate internal and external expectations and requirements for effectively preparing, advancing, and registering development agreements. This will ensure a consistent understanding by all stakeholders.

MANAGEMENT RESPONSE 2

Management agrees with this recommendation. Planning Services and Legal Services will develop and proactively make available a checklist to be utilized by internal and external stakeholders of expectations and requirements for preparing, advancing and registering development agreements by agreement type.

We also expect recommendations from the Housing and Innovation Task Force related to this recommendation, and the City will work with Industry on other possible suggestions for process improvements. The recommendation be completed by Q2 2026.

RECOMMENDATION 3: FILE TRACKING

The City Solicitor, in collaboration with the Director of Planning Services, should implement a common tracking of files in post-approval in order to ensure consistent and complete insights into the status of files in post-approval, including when the City is waiting on further information from applicants.

MANAGEMENT RESPONSE 3

Management agrees with this recommendation. Legal Services and Planning Services staff are meeting regularly to monitor and prioritize agreements, as appropriate. Planning Services is currently utilizing an internal system to track agreements through the various milestones of the Development Review process and will work with Legal Services to improve the monitoring of the post approval phase. Work began in Q3 2025, the recommendation will be completed by end of Q2 2026.

2. Approval Authorities and Documentation of Issue Resolution

Once an application is received by the City, a File Lead from Planning Services is assigned. The File Lead is responsible for coordinating and facilitating the application review and approval process from start to finish and acting as a central point of contact for both internal and external stakeholders. See [Appendix 2](#) for an overview of the steps in the current process.

Submission materials are reviewed for compliance to the City's published Terms of Reference, which stipulate the requirements for an applicable study or plan. Comments or follow-up questions from internal and external subject matter experts are then consolidated by the Planning File Lead and distributed back to the applicant for resolution prior to the application being deemed ready for approval consideration.

2.1 Time constraints associated with the review of development applications impact the City's ability to ensure proper due diligence.

Priority
Rating: Moderate

In response to changing legislation, the City has adjusted timelines associated with development application review. Consultations with internal and external subject matter experts have demonstrated that with increased volume and complexity of applications, it is challenging to meet the established timelines to provide quality feedback. The expertise needed to sufficiently review higher risk areas (e.g. for water infrastructure) is often at the operational level and these resources are not dedicated to development review.

Legislative changes and strategic priorities have increased pressure on timelines associated with the review and approval of development applications. Our audit noted that subject matter experts are challenged to consistently provide complete feedback as a result of the shortened timelines. With the impacts of Bill 109, 33 additional resources were approved to ensure legislated timelines could be met, funded by increases to development application fees. The majority of these resources were allocated to Planning Services with limited resources allocated to other departments across the City who are heavily consulted as part of the development application review process. This further impacted these departments as more volume of applications were being processed by Planning Services, requiring subject matter input.

Additionally, consultation with the Conservation Authorities indicated that there were examples where the Conservation Authorities were not engaged early enough in the process to provide sufficient feedback.

Insufficient due diligence by City subject matter experts could result in the City approving development that does not comply with internal terms of reference or other policies and increases risk and cost to the City.

RECOMMENDATION 4: RESOURCE CAPACITY OF SUBJECT MATTER EXPERTS

The Director of Planning Services should consult with subject matter expert departments on the resource capacity and requirements for support of development application review and establish a sustainable resource strategy.

MANAGEMENT RESPONSE 4

Management agrees with this recommendation. To meet Provincial requirements under the *Planning Act*, funds were provided in the 2024 Budget to departments for subject matter expert resources. The Director of Planning Services will consult with departments on the resource capacity and the requirements to support development application review. In Q3 2025, the Director of Planning Services will discuss with subject matter expert departments a resourcing strategy and identify any potential budget impacts. The recommendation will be completed by end of Q4 2025.

2.2 The City has not formally defined the authorities between City stakeholders within the development application review process.

Priority
Rating: Moderate

As noted above, File Leads circulate applicant plans and studies for subject matter expert review and comment. Once addressed by the applicant, these are distributed back for resolution. As part of our audit, we performed sample testing to confirm that the initial comments made by subject matter experts were resolved to their satisfaction before proceeding to the next step of the approval process.

In our testing, we noted an example of a joint Official Plan Amendment and Zoning By-law Amendment application whereby engineering issues identified by a subject matter expert did not get resolved. Initially, it was not clear why the application proceeded without resolution of these engineering comments. We were told as part of our audit procedures that the Planning File Lead made the decision to proceed with the application without the clearance of these comments; however, this decision was not formally documented in the application file.

In general, we understand that for health and safety issues, the File Lead will defer to the subject matter expert but could potentially override other decisions. However, it has not been formally established which comments must be addressed to the satisfaction of the subject matter expert and which can be overruled by the Planning Services File Lead. It should be noted that, for the example previously mentioned, ultimately, these engineering comments were resolved as part of the Site Plan Control application process (a separate, subsequent application for the property).

As part of our testing of the resolution of the comments from subject matter experts, we noted that, while the associated plans and studies provided by the applicant are maintained in the City file, a formalized mechanism (such as a checklist or sign-off from these experts) to reconcile all comments is not maintained. We understand this clearance can come in email form or verbally to the File Lead but without evidence of acceptance by the subject matter expert, it is difficult for the File Lead to demonstrate that the file is ready to proceed to the next step of the approval process. Additionally, without this documentation, situations where the File Lead overrode a comment, or decision may also not be supported.

Without formally established authorities for decisions within the development application process, it could potentially lead to inappropriate decisions. Further, the lack of documentation of the confirmation of issue clearance or questions raised increases the risk that the City cannot demonstrate that it completed the necessary due diligence to enable the file to proceed to the next step in the process.

RECOMMENDATION 5: FORMALIZE DECISION AUTHORITIES

The Director of Planning Services should, working with internal partners within Planning, Development and Building Department as well as other departments (e.g. Infrastructure & Water Services and Recreation, Cultural & Facility Services Departments) establish formal authorities for decision-making within the development application review process. This should include establishing expected communications back to stakeholders when a decision has been taken by the appropriate authority.

MANAGEMENT RESPONSE 5

Management agrees with this recommendation. Planning Services will review the escalation protocol, to allow appropriate authorities to consolidate comments throughout the development review process. The Director of Planning Services will work with internal partners to document formal authorities for decision-making within the development application review process including, communications back to subject matter experts when a decision has been taken. Decision making authorities will be considered as part of a broader process review that began in Q3 2025. The recommended action will be completed by end of Q4 2026, and the overall process review will be completed by Q4 2027.

RECOMMENDATION 6: DOCUMENTATION OF RESOLUTION OF ISSUES

The Director of Planning Services should establish a mechanism whereby File Leads maintain sufficient documentation of the resolution of all comments from internal and

external stakeholders from the review process before proceeding to the next stage of the application process.

MANAGEMENT RESPONSE 6

Management agrees with this recommendation. Planning Services will review opportunities to communicate, in writing, key milestones to the applicants throughout the development review process. In consultation with internal stakeholders, Planning Services will review and update internal approval reports templates and processes by end of Q4 2025.

The Director of Planning Services will work with staff to develop a procedure for file leads to consistently document the resolution of all comments from internal and external stakeholders. This process will ultimately be supported by the Land Management System (LMS). While interim measures will be implemented in Q4 2025, the ultimate solution, using LMS is anticipated to be completed by end of Q1 2028.

3. Performance Monitoring and Reporting

Planning Services annually presents statistics by application type to committee and Council via the departmental [Delegated Authority Report](#). These statistics typically relate to the number of applications received and processed and previously had included the percent of applications that met the Council approved timelines for review.

3.1 Specific key performance indicators relevant to the development application process are not currently being reported to Council and the public.

**Priority
Rating: Moderate**

The annual report does not currently include specific key performance metrics that are relevant to different stakeholders as well as demonstrate alignment to City priorities. Examples of such indicators, by type of application (and sub-type for certain applications such as Site Plan Controls) could include average or median metrics on:

- time to a deemed-complete file;
- pending time or time “on-hold” with the applicant;
- net processing and total elapsed time to decision or approval; and
- time from approval to agreement registration.

For further insights, these indicators could be further stratified by geographical regions. These data points are important to demonstrate the extensive activities that are being undertaken by the City in support of Council’s strategic objective and could isolate at what stages bottlenecks are occurring and where additional resources may be required.

As an example, **Chart 3** below depicts the average time for Site Plans to get to the approval stage., including the completeness check and pending times. Similarly, **Chart 4** below outlines the same for all other types of application Provincial and Council approved timelines for Site Plans are 60 days (as of 2023) as outlined in [Appendix 1](#).

Chart 3: Site Plan Control Processing Time (Complex), by Approval Year

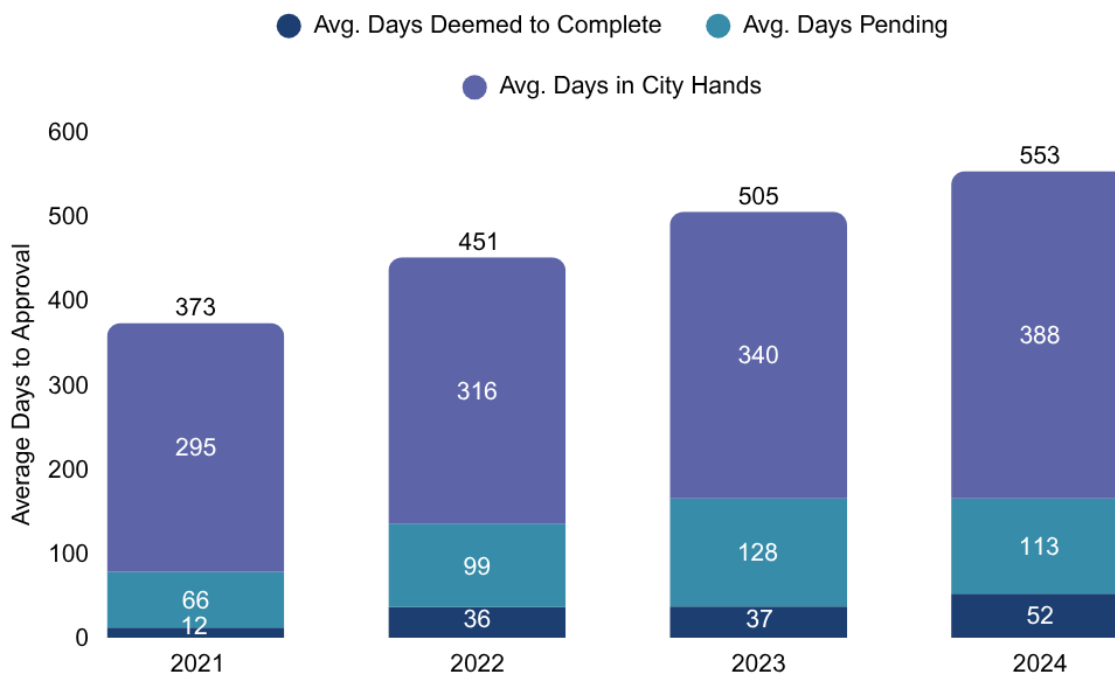


Chart 3: Average days to completeness and approval for complex Site Plan Controls, including time “pending” (i.e. in applicant hands).

As shown in **Chart 3** above, elapsed times are increasing for complex Site Plan Controls – well beyond the 60 day expected timelines. This aligns to the general trends of increasing complexity of infill sites as “easy” greenfield sites are in shorter supply. In contrast, as shown below in **Chart 4**, the timelines for non-complex Site Plans are on a decreasing trend. In 2024, 23% of complex Site Plan Controls had a net processing time (i.e. in City hands after the completeness check) of under 60 days. This has improved from 12% in 2023.

Chart 4: Site Plan Control Processing Time (Non-Complex), by Approval Year

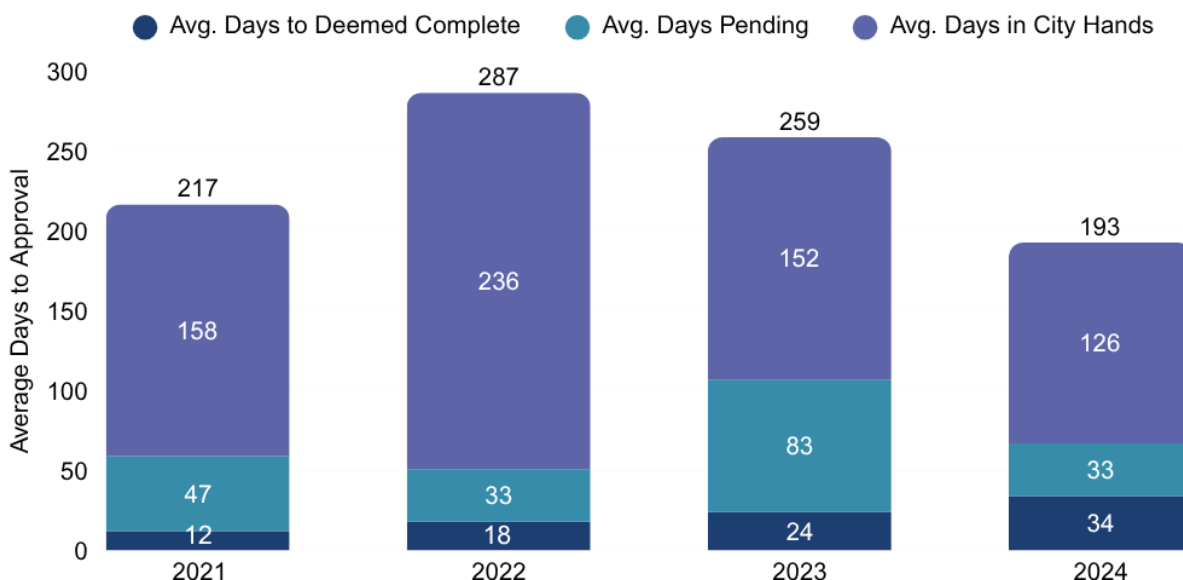


Chart 4: Average days to completeness and approval for non-complex Site Plan Controls, including time “pending” (i.e. in applicant hands).

In 2024, 75% of non-complex Site Plan Controls had a net processing time (i.e. in City hands after the completeness check) of under 60 days. This has improved from 49% in 2023.

When looking at the data by year of application receipt, there are positive trends in average completeness check time (i.e. time to determine if an application has the necessary information to begin formal review) for Site Plan Controls and Zoning By-Law. For Official Plan Amendments, the average days have stayed relative stable between 2023 and 2024. Looking at statistics by year of receipt is an important perspective to examine, as it more accurately captures the impact of the most recent changes to the review process. Early indicators suggest that these process changes are streamlining overall processing times.

In order to isolate bottlenecks and take proactive actions to address process challenges, a complete view on critical application review milestones is needed. This is also crucial for Council and other stakeholders to assess the state of the program; given the strategic importance of housing development.

RECOMMENDATION 7: REPORTING ON KEY PERFORMANCE INDICATORS

The Director of Planning Services should review the key performance indicators related to development applications and consider reporting on additional measures that support enhanced transparency and program evaluation.

MANAGEMENT RESPONSE 7

Management agrees with this recommendation. Planning Services launched the Housing Approval Dashboard in July 2025. The Dashboard is public facing information on development approvals and permits issued. Planning Services will continue to gather and assimilate data with our internal and external partners. Once in place, the Land Management System will support the collection of data for key performance indicators and provide further clarity and transparency. Staff will work to complete KPIs by Q4 2026.

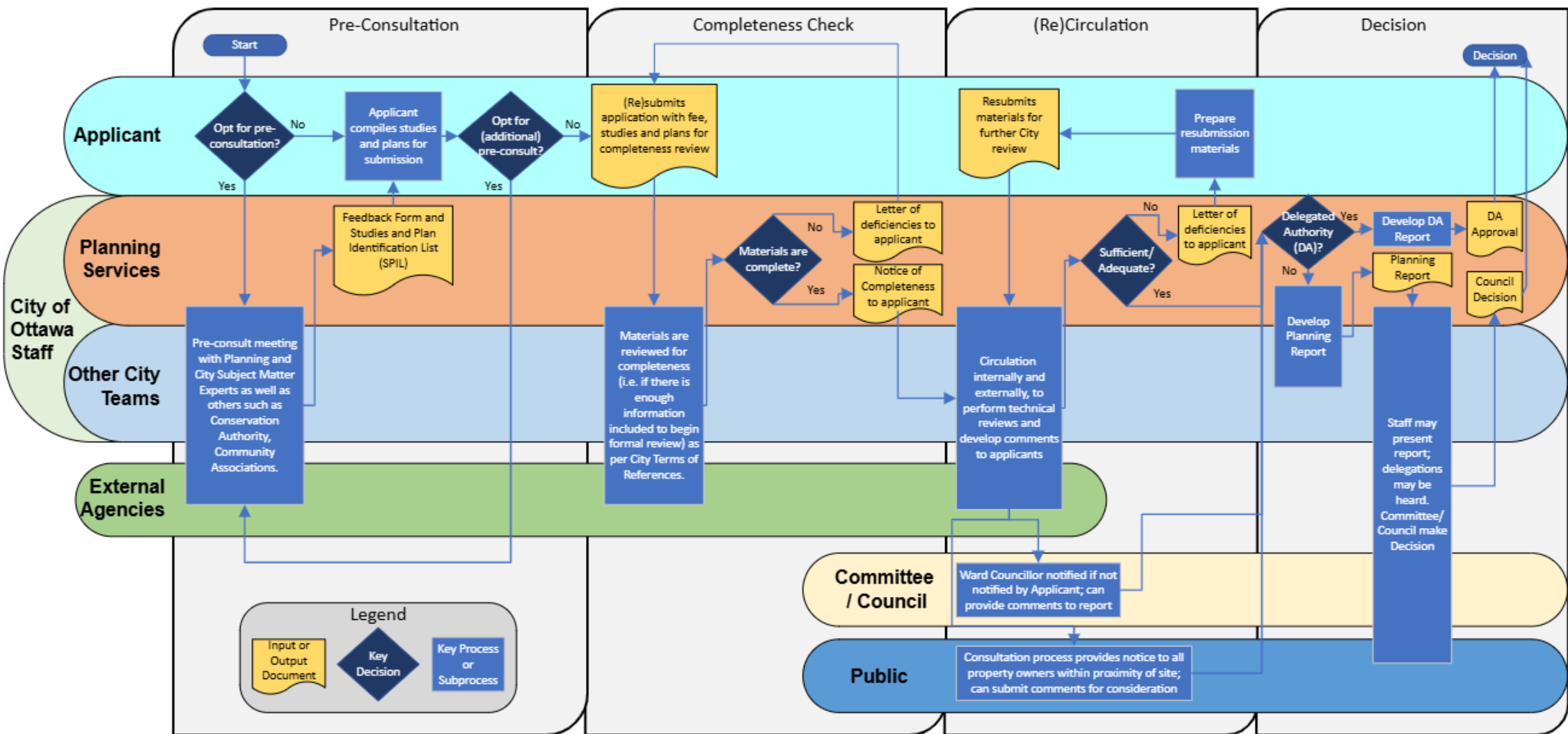
Appendix 1 – Common Development Application Types - Descriptions, Timelines, and Authority

Description	Timelines	Decision Authority
Official Plan Amendment		
Required when proposed development or land use change does not align with the policies and designations outlined in the current Official Plan. Official Plan Amendments can be City-wide, area-wide or site-specific.	Within 120 days of receiving a complete application.	City Council – City staff prepare recommendations to the Agriculture and Rural Affairs Committee (ARAC), for rural amendments or the Planning and Housing Committee (PHC), for all other proposed amendments.
Zoning By-Law Amendment		
Required when developing a property that deviates from current zoning provisions (commonly referred to as rezoning).	Within 120 days of receiving a complete application (note that provincial timeline is 90 days).	City Council – City staff prepare recommendations to ARAC or PHC.
Plan of Subdivision		
A registered plan of subdivision is a legal document that outlines all the details and conditions required to develop a parcel of land. An approved plan of subdivision is required in order for the lots and blocks to be sold or conveyed separately.	Within 120 days of receiving a complete application.	City staff (delegated authority), or; City Council (if delegation is withdrawn).

Description	Timelines	Decision Authority
Site Plan Control		
Required for most large new buildings and changes to existing properties. The process allows the City to influence land development so that it is safe, functional and orderly. It is also used to ensure that the development standards approved by the City and other agencies are implemented and maintained. Building location, landscape treatment, pedestrian access, drainage control and parking layout are a few of the items addressed during review.	Within 90 days of receiving a complete application. However, if submitted concurrently with a Zoning application, the Site Plan Control would be included under that 120-day timeline.	City staff (provincially appointed authority).
Consent of Severance		
Process to manage the division (severance) of a piece of land to create a new lot or parcel.	Within 90 days of receiving a complete application.	Committee of Adjustment – City staff prepare a report of any related concerns.
Minor Variance		
Owners who want to differ slightly from Zoning By-law provisions can alternatively apply to the Committee of Adjustment for what is known as a Minor Variance, rather than a Zoning By-law Amendment.	Within 90 days of receiving a complete application.	Committee of Adjustment – City staff prepare a report of any related concerns.

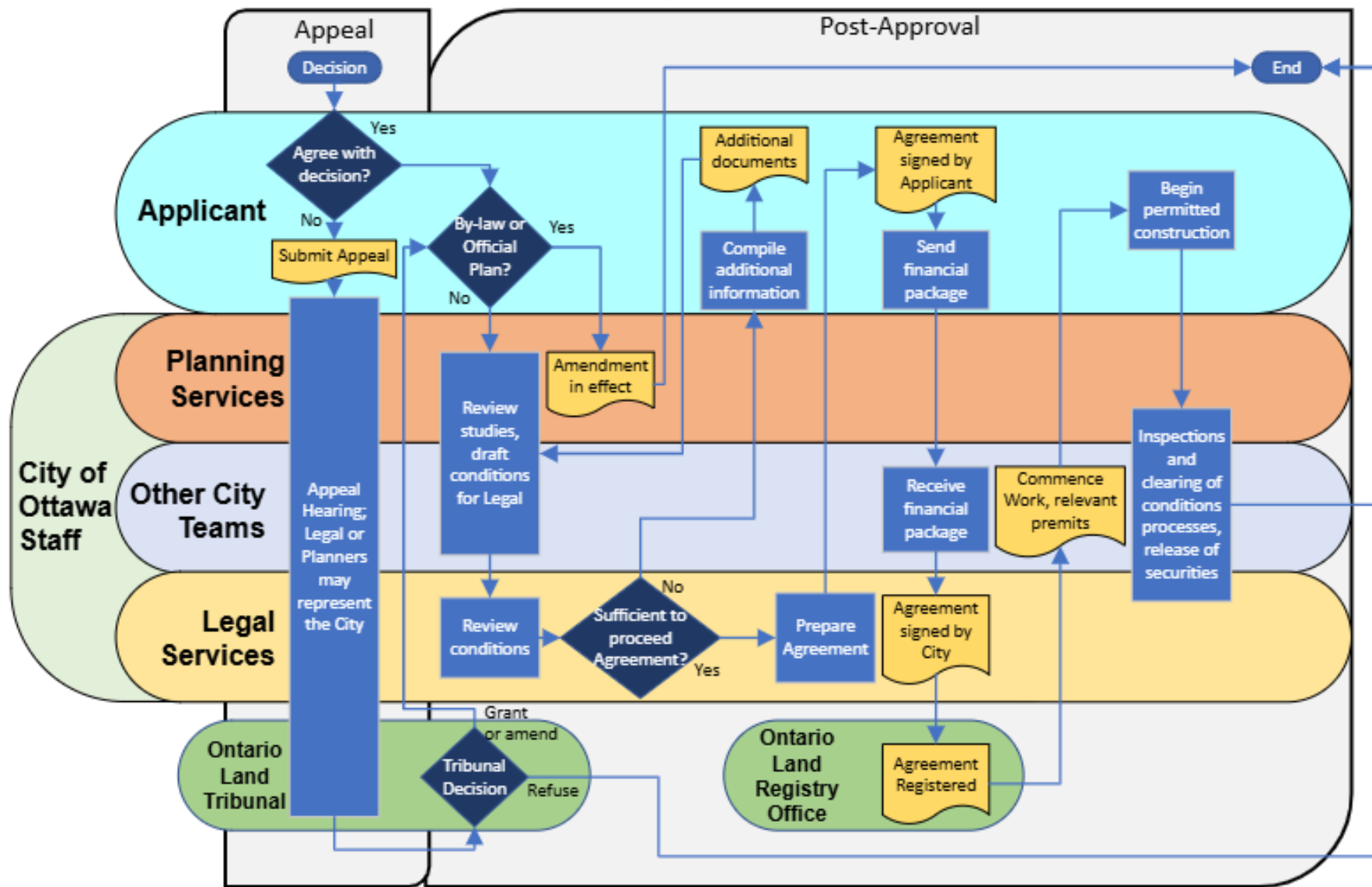
Appendix 2 – Development Application Review Decision Process Flow

Review process for a Site-Plan Control, Zoning By-Law or Official Plan Amendment, or Plan of Subdivision



Appendix 3 – Development Application Post-Approval Process Flow

The process after a decision for a Site-Plan, Zoning By-Law or Official Plan Amendment, or Plan of Subdivision



Appendix 4 – About the Audit

Audit Objective

The objective of this audit was to provide reasonable assurance that the City has the necessary processes, controls and resources to effectively and efficiently manage development application review activities.

The audit focused on the key phases of the development application review process, specifically:

- intake processes, including the optional pre-consultation phase;
- application submission, including the completeness check process whereby feedback, both completeness and policy-based, are provided to the applicant;
- the circulation process with internal and external stakeholders;
- official review of applications and decision-making processes (excluding the outcome of the decisions);
- post-approval activities including agreement development as well as monitoring and inspection of developments; and
- performance measurement reporting, including legislative timelines.

The scope of this audit included testing the most common types of development applications including: Official Plan and Zoning By-Law Amendments, Site Plan Control, Plans of Subdivision, as well as Minor Variances and Severances. Other types that represent a small percentage of overall applications processed by the City (e.g. Parking Lot Controls, Plans of Condominium, applications under the *Ontario Heritage Act*, and Demolition Controls) were not included in our scope. Additionally, Urban expansion or other City-initiated land planning activities were not specifically examined in this audit.

The process to calculate development charges was not considered in this audit and may be considered for a future audit. In addition, the permitting activities conducted by Building Code Services were also out of scope for this audit.

Criteria listed below were developed from our assessment of key risks related to the City's development application review processes and in consultation with subject matter experts.

Audit Criteria

Governance, Roles and Responsibilities	
1.1	Roles and responsibilities for stakeholders involved in the development application review process (internal and external) are clearly defined and communicated, including expectations, timelines, and escalation methods.
Development Application Reviews and Approvals	
2.1	The process to review a development application considers related legislation, City of Ottawa strategic priorities, Official, Secondary, and Master Plans, as well as associated By-laws, plans, and policies.
2.2	The process to review a development application includes all relevant City departments and related stakeholders (e.g. utilities, conservation authorities) such that the following are adequately considered: <ul style="list-style-type: none"> a) impacts on existing asset capacity and resources; b) costs/requirements associated with operating inherited assets; and c) operating costs/requirements for planned infrastructure stemming from developments.
2.3	Requirements of applicants are appropriate and relevant to the application/development type and are risk-based.
2.4	The process to review a development application sufficiently considers the feedback provided through applicable public consultations.
2.5	The process to develop post-approval agreements enables full engagement with relevant City stakeholders to ensure alignment with all applicable legislation, policies as well as the associated development approvals.
Development Monitoring and Reporting	
3.1	Developments are sufficiently monitored and inspected to ensure compliance to the approved (or conditionally approved) development applications and associated agreements, including the requirement and release of associated security deposits.
3.2	Performance indicators, aligned to strategic goals, are developed to monitor program performance and are communicated to ensure timely decision-making.

Audit Approach and Methodology

Audit staff performed the following procedures to complete this audit:

- Review of relevant documents;
- Interviews and/or walkthroughs with City staff and external stakeholders;

- Testing, including sampling of development applications of different types through the various phases of the application review process;
- Comparisons with other Ontario municipalities, where relevant;
- Utilizing subject matter expertise where deemed applicable; and
- Other analysis and tests, as necessary.

Appendix 5 – Rating Scale for Audit Findings

The following rating definitions were used to assign priority to the findings associated with this audit.

Priority Rating	Description
Critical	The finding represents a severe control deficiency, non-compliance or strategic risk/opportunity and requires an immediate remedy. If left uncorrected, this could have a catastrophic impact on the achievement of the City's strategic priorities, its ongoing business operations, including the risk of loss, asset misappropriation, data compromise or interruption, fines and penalties, increased regulatory scrutiny, or reputation damage.
High	The finding represents a significant control deficiency, non-compliance or strategic risk/opportunity and requires prompt attention. If left uncorrected, this could have a significant impact on the achievement of the City's strategic priorities, its ongoing business operations, including the risk of loss, asset misappropriation, data compromise or interruption, fines and penalties, increased regulatory scrutiny, or reputation damage.
Moderate	The finding represents a moderate internal control deficiency, non-compliance or is a risk/opportunity to business operations that should be addressed timely. If left uncorrected, this could have a partial impact on business operations, resulting in loss or misappropriation of organizational assets, compromise of data, fines and penalties, or increased regulatory scrutiny. Typically, these issues should be resolved after any high-priority findings.
Low	The finding should be addressed to meet leading practice or efficiency objectives. Remediation should occur as time and resources permit. While it is not considered to represent a significant or immediate risk, repeated oversights without corrective action or compensating controls could lead to increased exposure or scrutiny.