



MEMO / NOTE DE SERVICE

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TO: Public Works and Infrastructure Committee

DESTINATAIRE : Comité de l'infrastructure et des travaux publics

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**SUBJECT: Feasibility of Transportation Infrastructure Conditions for
Development Approvals**

**OBJET : Faisabilité des conditions relatives aux infrastructures de transport pour
approuver les projets de développement**

PURPOSE

The purpose of this memorandum is to provide information to the Chair and Members of Public Works and Infrastructure Committee on the feasibility of imposing transportation infrastructure conditions that must be satisfied before suburban development applications can be approved, in response to Motion PWIC 2025-20-19. The memo outlines the legislative constraints facing the City, but also outlines several improvements to the project design and delivery process that city staff are putting into place to better align growth with the delivery of required transportation infrastructure.

BACKGROUND

Motion [PWIC 2025-20-19](#) was approved at the July 23, 2025, Council meeting, as part of the adoption of the Transportation Master Plan - Part 2 ([ACS2025-PDB-TP-0012](#)). The motion discusses that suburban wards are experiencing rapid growth and that transportation infrastructure and services have not consistently kept pace with development pressures, creating congestion and impacting the delivery of complete streets and communities.

The motion directs staff to “review and report on the feasibility of establishing transportation infrastructure conditions that must be satisfied before subdivision or high-density development applications can be approved in suburban expansion area lands”. It further requests that “such conditions be based on measurable factors including arterial road capacity, transit service availability, and the feasibility of achieving targeted modal share outcomes, and be designed to ensure that growth approvals are aligned with the timely delivery of supporting transportation infrastructure”.

The first section of this memo discusses the feasibility of imposing transportation infrastructure conditions that must be satisfied before suburban development applications can be approved. The second section outlines improvements staff have made to the project design and delivery process in developing communities to better align growth with the delivery of required transportation infrastructure.

1 – FEASIBILITY OF IMPOSING TRANSPORTATION INFRASTRUCTURE CONDITIONS ON DEVELOPMENT APPROVAL

Growth Pressures and Transportation Infrastructure Needs

Ottawa is growing rapidly, and this growth results in significant pressure on the City’s transportation networks. Between 2001 and 2024, the city’s population increased by

more than 350,000 residents¹, reflecting a period of major growth. Looking ahead to the next 25 years, Ottawa's growth is projected to gradually increase over time, rising from 15,000 annually from 2001 to 2024 to just over 21,000 by 2051. By 2051, Ottawa's population is expected to reach approximately 1.68 million residents, representing an increase of roughly 525,000 people between 2024 and 2051². Much of this growth is anticipated to occur in suburban areas, where new communities will accommodate a substantial share of future residents. Housing growth has followed a similarly strong pattern. From 2023 to 2025, Ottawa approved nearly 70,000 new dwellings through development applications and issued building permits for nearly 30,000 dwellings.³

The 2025 Transportation Master Plan (TMP) identifies the need for major investment in transit, road, and active transportation infrastructure to support Ottawa's projected growth. Within the TMP, the Needs-Based Transit Network includes \$4.5 billion in transit infrastructure, plus \$8.3 billion for the Stage 3 O-Train extensions, while the Needs-Based Road Network includes \$2.8 billion in road capacity projects.

The TMP Priority Networks identify the highest priority projects from the Needs-Based Networks that are expected to be implemented by 2046, and include a total capital investment of \$4.2 billion, plus the Stage 3 O-Train extensions. In suburban areas, which are the focus of this motion, the TMP Priority Networks include a number of projects to accommodate the rapid growth in travel demand. These projects provide connectivity to other areas of the city and address gaps in these communities' road and active transportation networks where the pre-existing rural roads do not meet the needs of suburban development. Across all TMP project categories, growth pressures have yielded many high priority projects in suburban areas:

- Rapid transit projects are needed to connect residents to the urban transit network, to reduce peak period congestion, and to maintain mobility and livability.
- Road capacity projects (new roads and road widenings) are needed to provide access to and within new communities and to address congestion bottlenecks.
- Road urbanization projects (adding urban amenities such as sidewalks) are needed to enable walking, cycling and transit use, focusing on critical gaps along arterial roads with a rural cross-section.

¹ Statistics Canada Table 17-10-0152-01. Population estimates, July 1, by census division, 2021 boundaries. <https://doi.org/10.25318/1710015201-eng>

² Hemson Consulting, February 2026. Ottawa Forecasts to 2051. Based on Ministry of Finance Population Projection estimates for Ottawa, August 2025 release.

³ City of Ottawa. Housing Approvals Dashboard, accessed June 30, 2026. <https://ottawa.ca/en/planning-development-and-construction/housing-and-development-reports/housing-approvals-dashboard/dashboard>

Funding and Implementation of Transportation Infrastructure Projects

Under the *Development Charges Act*, the City is responsible for implementing most types of transportation infrastructure projects to support citywide growth, including the TMP road, transit and active transportation projects. Developers are responsible for direct delivery of “local services”, i.e. transportation infrastructure that is required to service a specific site.

The City collects development charges to help fund growth-related transportation infrastructure projects. Development charges are one-time fees levied by municipalities on new residential and non-residential properties to help pay for a portion of these capital infrastructure requirements. Development charges are an important tool to ensure that growth pays for growth and are a critical funding source for the growth projects identified in the TMP.

The City’s Development Charges Background Study ([ACS2026-FCS-FIN-0004](#)), amended in 2026 to reflect the new TMP, identifies the growth-related transportation infrastructure costs that can be recovered under the *Development Charges Act*, based on the City’s capital spending plans, growth forecasts, and other inputs. In addition to the TMP projects, the Background Study includes other smaller-scale transportation infrastructure projects to support development, such as new traffic signals and roundabouts (Intersection Control Measures projects). For most growth-related transportation projects, the City is also required to contribute tax funding; under the *Development Charges Act*, the capital cost included in the DC rate calculations must be reduced by the proportion of the infrastructure that is not growth-related, commonly referred to as the “Benefit to Existing” allocation.

The Development Charges Bylaw and Background Study determine the rates paid by new development. The collection of development charges allows the City to design and deliver the transportation infrastructure identified in the TMP, as project funding becomes available.

The City’s Background Study also includes the [Local Service Policy \(Appendix D\)](#). This policy outlines the road related infrastructure that is included in the Development Charges Background Study as a development charge project, versus infrastructure that is considered as a local service, to be delivered separately by landowners, pursuant to a development agreement.

The Local Service Policy was updated in January 2026 to clarify the requirements put on developers as part of the development review process. Key developer responsibilities for local transportation servicing include:

- All new Local Roads.
- New Collector and Major Collector Roads: first 11 metres of motor vehicle road surface, and other elements within the right-of-way beyond the motor vehicle surface including pedestrian and cycling infrastructure, transit stops, and boulevards.
- Traffic signals, roundabouts, and intersection modifications on Arterial or Major Collector Roads where the intersecting road is a Local Road or a private access. Sidewalks and cycling facilities on existing Local and Collector Roads, as needed based on City policies and plans.
- Sidewalks on Arterial Roads along and adjacent to frontages, where the primary frontage is on an arterial road or where pedestrian access is provided directly from a development to an arterial road to connect to adjacent destinations such as bus stops, signalized intersections, or community amenities.
- Sidewalks for all road classifications, where sidewalks external to the development are necessary to connect the development to an adjacent sidewalk or public space that is the lesser of one block or 50 metres away from the edge of the frontage.
- Sidewalks, cycling facilities and active transportation pathways that are internal to the development but outside of road allowances.

The development review process also plays an important role in identifying transportation needs and impacts associated with new developments. The Transportation Impact Assessment (TIA) process identifies the localized transportation infrastructure improvements that are a developer responsibility (“local services”). The TIA process may also identify new DC-funded projects, such as new traffic signals or roundabouts, that are required to support development. Finally, TIAs help to inform the City’s understanding of regional-scale road and transit network pressures, supporting updates to networks and projects within the Transportation Master Plan. An important change that has been introduced as part of the recent update to the TIA Guidelines is to ensure travel demand forecasts reflect realistic assumptions for future infrastructure.

Legislative Context for Reviewing and Approving Development

Staff have reviewed the feasibility of establishing transportation infrastructure conditions that must be satisfied before suburban development applications can be approved.

Under the existing legislative context, approval of development applications cannot be conditional on completion of DC-funded transportation infrastructure projects, such as arterial road capacity projects. This is different than for water and

wastewater infrastructure, where the Provincial Planning Statement specifically identifies that municipalities are allowed to “permit lot creation where water and sewage capacity exists.” Accordingly, commencement of development can be conditional on the completion of DC-funded water and wastewater projects such as pumping station upgrades. Comparable policy language does not exist for transportation infrastructure, as lack of peak-period road capacity is not directly comparable to lack of water and sewage capacity.

Developers sometimes enter into Front-Ending Agreements⁴ with the City to deliver transportation infrastructure projects, where they deem these to be important for the functioning of their sites. The City will continue to request Front-Ending Agreements where there are road capacity and safety issues; however, these remain a developer decision.

Similarly, approval of development applications cannot be conditional on delivery of City public transit service to new subdivisions. Transit service can only be added to new subdivisions once it is forecasted to meet the Council-approved cost recovery ratios. Forecasts of ridership are based on units completed and their density/distribution, while operating costs are based on new revenue service hours required to serve the development. Service decisions on the allocation of vehicles and transit service hours also consider other priority needs across the network. Accordingly, there is often a delay between occupancy of the first phase of a new subdivision and the time that transit service is warranted and provided. Developer-funded “early service agreements” have sometimes been established to bridge this gap and encourage transit use at the time residents move in. The City will continue to request such agreements to allow transit service to align with early occupancy. However, as per the Province of Ontario’s 2022 redline edits to Ottawa’s Official Plan, the City cannot require early service agreements with developers.

2 – CHANGES TO BETTER ALIGN GROWTH WITH TRANSPORTATION INFRASTRUCTURE DELIVERY

While the City does not have legislative authority to delay approval of development based on transportation infrastructure constraints, staff are making several changes to better align growth with transportation infrastructure delivery. This section describes three improvements that staff are now implementing to advance the objectives of Motion

⁴ Under a Front-Ending Agreement, a developer funds and builds a DC-funded transportation infrastructure project in advance of the timelines set out in the DC Background Study, which are established in part based on affordability considerations. The City repays the project costs in accordance with the original funding schedule.

PWIC 2025-20-19 and reduce transportation infrastructure gaps that impact mobility for residents in rapidly growing communities.

Staff are also conducting a comprehensive review of the City's transportation infrastructure planning, design, and procurement framework, in accordance with Motion No. [FCSC-PHC 2026-05-01](#), 'Improving Ottawa's Approach to Housing-Enabling Infrastructure', and will be reporting back with additional information in early 2027. The intention of this project is to identify opportunities to simplify and streamline processes, reduce delays, and compress project planning, design and construction schedules in order to speed overall project delivery. This work involves a third-party review of existing processes and will result in a set of recommended changes.

1. New Criteria for Implementing Intersection Control Measures

The Intersection Control Measures (ICM) program delivers new or upgraded traffic signals and roundabouts to address increased transportation demands in developing areas throughout the city; projects are growth-related and funded by development charges. ICM projects are usually identified through the development review process (usually draft plan of subdivision). They are added to the ICM list if a Transportation Impact Assessment (TIA) indicates that these locations will require traffic controls in the future, once a certain number of units are built. In technical terms, this is referred to as meeting "warrants"⁵.

Currently, the planning and design process for ICM projects is only initiated once traffic volumes are approaching warrants. However, this has led to safety concerns in some instances, where residents of new subdivisions have difficulty leaving their neighbourhood without a traffic signal or roundabout in place (for example, at Innes and Lamarche, March and Invention, and Fernbank and Edenwylde).

New criteria have therefore been developed to implement ICM projects earlier in appropriate locations where the absence of these controls is expected to create challenges at the time of occupancy. Under these criteria, new signals and roundabouts on the existing and future project lists will be accelerated where the locations meet one of the following conditions:

- Intersections on arterial roads where there is a clear pedestrian desire line to bus stops and/or schools. Without traffic control measures at the time of

⁵ A warrant is a set of criteria used to assess whether the installation of a traffic signal (or another type of traffic control) may be needed at a given location. These criteria consider factors such as traffic volumes and collision history.

occupancy, residents will face safety challenges and delays crossing the main road to access a bus stop or school.

- Intersections where the main road has very high traffic volumes. Typically, the main road is an arterial roadway that conveys the highest volume of vehicular traffic approaching an intersection. Without traffic control measures at the time of occupancy, residents will experience significant delays accessing the main road, along with associated safety issues and increased collision risk.

For locations that meet these criteria, design will be initiated as soon as development has been confirmed to move forward (for example, when subdivisions get registered, and/or when building permits for the first phase of occupancy have been issued). It is a significant change to start the design process before the first residents have moved in and are using the intersection. Once design is completed, projects will move to implementation, with the objective of having traffic controls in place shortly after occupancy.

The remaining ICM projects that do not meet these criteria will continue to follow the existing process. Staff aim to initiate functional design as intersections are approaching warrants, with the objective of implementing intersections at or shortly after the time that they become warranted. For all ICM projects, the intersection designs are context-specific, with pedestrian, cycling, and transit needs incorporated appropriately; interim designs are sometimes implemented where widening is ultimately planned.

This change in approach is not expected to change the total number of ICM projects delivered, as all projects will continue to meet warrants at some point in the future based on the traffic forecast documented in the TIA. However, more projects are expected to be implemented sooner. In the short term, the new criteria may result in a backlog of ICM projects that need to be designed and delivered; there will therefore be a transition period before the new criteria are fully in effect; projects that already meet warrants will continue to be prioritized. Finally, implementing these ICM projects earlier will also mean the City incurring operations and maintenance costs earlier. This includes approximately \$15,000 per intersection per year in operating costs, plus additional costs for snow clearance and other maintenance activities. Funding for design and construction of individual ICM projects – fully funded through development charges – will be approved through the annual budget process. Beginning with the 2027 budget, this approach will be applied consistently to ICM projects. Other road safety projects, such as new traffic signals or roundabouts delivered through the New Traffic Control Devices Program, will

continue to be delivered in accordance with current practices and are not affected by this change.

2. New Criteria for Implementing All-Way Stop-Controlled Intersections and Pedestrian Crossovers on Local and Collector Roads

As noted in Motion No. [PWIC 2026-26-05](#), all-way stop controls and pedestrian crossovers (PXOs) are important for safety and connectivity in new subdivisions and can help pedestrians cross busy roads to access schools, parks and bus stops. While requirements for all-way stop controls or PXOs may be identified during the development review process, historically, implementation would only proceed once the community was more fully established and the warrants for implementation were met. Legislation for accessibility requirements means that installation of an all-way stop control or PXO is no longer simply a matter of installing signs and pavement markings; accessibility treatments are also required to ensure barrier-free travel for everyone. This physical infrastructure is most effectively delivered at the time of development when other local infrastructure is being built.

Given the above, new criteria are being developed to identify locations within new subdivisions where pedestrian crossovers or all-way stop control should be implemented as part of initial roadway construction. These locations will be identified through the TIA process for new developments, based on traffic volume warrants at full buildout and/or active transportation desire lines in relation to adjacent land uses such as schools and parks. The updated TIA Guidelines explicitly require the identification of pedestrian and cycling desire lines, including road crossings.

Where identified in the TIA, an approval condition will be included in the subdivision approval requiring the design and construction of the all-way stop-controlled intersections and PXOs as part of the subdivision works. This is a notable change from the historical approach and is expected to reduce retrofit costs to the City while ensuring the necessary control measures are in place to meet community needs.

Developers will be expected to construct curb depressions, tactile walking surface indicators and PXO related foundations and underground work as required for the ultimate configuration; traffic signage and pavement markings will then be implemented by the City. Staff will document and apply the new criteria in the coming months under delegated authority, based on the approach and objectives noted in this memo, and will monitor and refine the process as needed.

Developments that are approved today will take time to be implemented; it will

therefore take a few years for these policy changes to be reflected in the built environment.

3. New Projects to Add Urban Amenities Adjacent to Development Frontages

As noted earlier, the pre-existing rural roads surrounding many new subdivisions do not meet the needs of suburban development. For example, they often lack sidewalks, bus stop landing pads, street lighting and pedestrian crossing opportunities, making it difficult for residents to walk to transit or to neighbourhood destinations. Under the previous TMP, the City had only very limited funding (through the Development Sidewalks program) to address these gaps unless a road widening was planned. The new TMP remedies this with a revised framework for delivering these improvements, through both DC-funded projects as well as updated requirements for developers to implement infrastructure as a local service.

Under the expanded TMP Road Urbanization and Development Sidewalks program, the City will be implementing more improvements to walking, cycling and bus stop infrastructure to support new developments. This program includes specific projects as well as finite “Undefined” funding. The TMP notes that the Undefined funding “will generally be used to address unforeseen needs on arterial roads along or adjacent to development frontages”. Going forward, it is expected that TIAs will identify the critical sidewalks, bus stops, controlled pedestrian crossings, and cycling facilities that are required to support the site and that are not the developer’s responsibility as local services. The updated TIA Guidelines make it more explicit that TIAs need to identify pedestrian and cycling desire lines, including identifying important sidewalks, cycling facilities, bus stops, and controlled crossings to support the development.

Examples of localized projects that will be planned and delivered under the “Undefined” category may include short sidewalk segments connecting to bus stops, and controlled crossings so that pedestrians can reach bus stops on the other side of the road. Funding requirements for Urbanization and Development Sidewalk projects will be brought forward as part of the annual budget process. Front-Ending Agreements could also be used to implement these improvements.

FINANCIAL CONTEXT

Recent Council decisions support funding and construction of City-delivered transportation infrastructure projects to support growth.

Development Charge Reduction Program (DCRP)

The Development Charge Reduction Program (DCRP) provides funding for important transportation infrastructure needed to support growth ([ACS2026-FCS-FIN-0018](#)). This funding is contingent on reducing the City's residential development charges and is intended to cover the associated DC revenue shortfall. The City's application to the program includes arterial road extensions and widenings, intersection improvements, and expansion of a park-and-ride lot. The submitted projects must be shovel-ready by 2030, with funding expected to become available once a Transfer Payment Agreement is finalized with the federal and provincial governments. In addition to advancing critical growth-related infrastructure, the program will enable a temporary reduction in residential development charges, helping to improve the viability of residential development projects and support new housing delivery.

Agile Capital Budgeting Pilot for Road Growth Projects

The agile capital budgeting pilot for Transportation Planning's roads and related growth projects was approved by Council on June 10, 2026 as part of the 'Long Range Financial Plan VI' ([ACS2026-FCS-FIN-0006](#)). This pilot will be initiated as part of the 2027 budget process and is expected to allow the City to accelerate construction of road projects.

Under the current approach, projects must be fully funded before construction procurement can proceed, with capital budget authority accumulated over multiple years. As a result, funding is often provided many years in advance of actual spending, tying up this funding and preventing other projects from moving ahead. Under the pilot, design and construction contracts will be funded on a cashflow basis, aligning budgeting with actual cashflow needs. The approach involves seeking Capital Spending Authority for multi-year capital projects – including spending required for current and future budget years – allowing departments to enter multi-year contracts.

The agile budgeting method reduces the likelihood of designs sitting on shelves prior to construction; in the near-term, it is expected that projects will be able to proceed to construction shortly after the completion of design, since there is not a backlog of "shovel-ready" projects. Staff also expect to initiate the design process sooner, as well as property acquisition, which often requires significant time. Finally, the ability to fund projects on a cash-flow basis supports a shift to advancing multiple projects simultaneously. With many projects in the pipeline and the ability to reallocate funding, project delay risks are reduced; if one project experiences delays due to unforeseen circumstances, another project can be advanced, ensuring the overall capital plan is achieved.

CONCLUSION

While it is not possible to impose restrictions on the approval of suburban development applications due to transportation network constraints, there are several actions that can be undertaken within the current legislative and policy framework to better align growth with the delivery of required transportation infrastructure. These include accelerating the delivery of road projects through agile capital budgeting, implementing intersection control measures earlier where safety, mobility, and connectivity issues are anticipated, and advancing targeted improvements to active transportation infrastructure adjacent to development frontages. Staff look forward to applying these approaches to respond to transportation needs driven by new development going forward. This work will be advanced through a coordinated approach, with cross-departmental collaboration to implement and monitor outcomes.

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