



CreateTO
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Build Toronto Inc. 2021 Annual Report

It is our pleasure to present our 2021 Annual Report.

As part of the centralized City-wide real estate model, Build Toronto Inc. (Build Toronto) continues to support CreateTO in fulfilling its City Building mandate and manage real estate transactions that were in place prior to the launch of CreateTO.

Under the leadership and guidance of our Board of Directors, CreateTO and its related corporations, Build Toronto and TPLC, have brought stakeholders, partners and community members together to advance a number of key City-building initiatives. To date this approach has resulted in creating a significant value for the City. Please refer to Attachment 7, for CreateTO's Performance Report and a message from the Chair of the Board of Directors and the Chief Executive Officer.

Financial Summary

Build Toronto's 2021 Statements were audited by KPMG LLP and received an unqualified opinion stating that the financial statements present fairly, in all material respects the consolidated financial position of Build Toronto as at December 31, 2021, and its consolidated financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Build Toronto's 2021 Statements recognize a net income and comprehensive income of \$10.7 million (an increase of \$5.1 million over 2020), total assets of \$235.0 million (a decrease of \$13.7 million over 2020), and total liabilities of \$32.8 million (an increase of \$0.6 million over 2020). The value of Build Toronto's real estate inventory decreased by \$5.2 million to \$57.9 million. Shareholder's equity decreased by \$14.3 million in 2021 to \$202.1 million after net income and the dividend paid to the City of Toronto.

Highlights of 2021 Financial Results

Build Toronto's financial highlights can be summarized as follows:

- Net income and comprehensive income of \$10.7 million.
- Closed remaining legacy Build Toronto transaction in December 2021 for \$13.2 million and received additional density proceeds of 2.9 million for a property sold in 2020.
- The fair market value of the investment property (Pinewood Studios) was increased by \$9.0 million to reflect significant growth in industrial land value and higher inflation.

- In 2021 management wrote off \$4.15 million relating to historical project investigative costs. These costs relate to pre 2019 project costs that were incurred under the original BTI mandate that have no future value to BTI.

City-Wide Real Estate Model

On January 1, 2018, the City launched CreateTO, a new agency to lead the City-wide Real Estate Model adopted by City Council in 2017. This new model involves the operational consolidation of both Build Toronto and Toronto Economic Development Corporation (operating under the name Toronto Port Lands Company) through service agreements with CreateTO for real estate advisory services, real estate project delivery services and port lands asset management services.

As a result of the City-wide Real Estate Model, Build Toronto now supports CreateTO to fulfill its mandate. Consequently, going forward Build Toronto will not be generating revenues from its assets but rather looking for new and better ways to use those assets and deliver value to the City (e.g. through the delivery of city-building initiatives such as affordable housing, office optimization, transit-oriented developments, new park space, and supporting City service delivery).

In November 2021 Council adopted the City-wide Real Estate Next Phase of Implementation report which recognized the change in Build Toronto's mandate and more specifically that Build Toronto cannot continue to financially support the operations of CreateTO and pay the City an annual dividend of \$25 million.

Build Toronto, through CreateTO, is committed to advancing the City's key priorities to improve both the performance of the City and the quality of life for Torontonians through the delivery of projects that contribute towards the City's financial sustainability and represent an investment in housing, people and neighbourhoods. We look forward to continuing to work with our partners and stakeholders to further advance the important work of CreateTO.

Yours truly,

(Signed by) "Vic Gupta"

Vic Gupta

Chief Executive Officer, CreateTO

Leslie Lookout
105 Spadina
50 Wilson Heig
Boulevard

Transforming Toronto's Real Estate

Wellington De
805 Don Mills
Basin Media H
610 Bay Street
260 Adelaide &

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A Message From Our Chair and CEO



Ron Carinci
Chair



Vic Gupta
CEO

When CreateTO was formed as part of the new City-wide Real Estate Model in 2018, the organization was tasked with managing the City's expansive real estate portfolio. The intent was to create opportunities to build a better Toronto by continuously looking for new and innovative ways to use the City's real estate assets, open spaces and underutilized and surplus lands.

Working collaboratively with our City stakeholders, external partners and community members, CreateTO's strategic city-wide approach has enabled our team to develop creative solutions that meet the real estate needs of the City's Divisions, Agencies and Corporations so they can better serve the people of Toronto.

CreateTO is creating substantial value for the City by delivering a range of benefits through the more than 100 projects in our portfolio. This includes the development of the Basin Media Hub, a 500,000-square-foot film, television and digital media hub that is expected to create more than 1,600 direct and indirect jobs in the Port Lands and broader community; the creation of new affordable housing; improvements to local streetscapes and public places; and helping to find new locations to accommodate City services like community centres, libraries and long-term care facilities.

Furthermore, the first three phases of the Housing Now Initiative will deliver approximately 5,400 much-needed affordable rental homes and more than 15,000 homes on 21 sites across the city. Meanwhile, the repurposing and redevelopment of eight City-owned properties through the ModernTO program is expected to generate \$450 million in value that will be reinvested for city-building purposes, including housing, and will provide \$30 million in annual capital and operating cost savings through a reduction in the City's office footprint.

In addition to our focus on advancing these key City priorities, CreateTO is also promoting environmental sustainability through projects like the Mass Timber Pilot Program and the low-carbon thermal District Energy network that will service the Bloor-Kipling (Six Points) site.

Our initiatives demonstrate what can be achieved in working together with our City partners to take a strategic approach to the City's real estate. And we are just getting started.

We look forward to the road ahead.

Who We Are

Formed in 2018, CreateTO manages the City of Toronto's vast real estate portfolio. We bring together stakeholders, partners and community members to develop innovative solutions that will enable the City to achieve its key priorities, while ensuring the best use of City land for today and tomorrow.

Key priorities for the organization include:

- **Delivering Affordable Housing**
- **Managing the City's Real Estate Assets**
- **Creating Opportunities for City building**
- **Supporting Port Lands Development**
- **Advancing Environmental Sustainability**

Our Mission



Working together with the City's Corporate Real Estate Management (CREM) division, CreateTO is delivering value to the City by continually looking for new and better ways to use the real estate assets within the City's portfolio.

By applying a strategic city-wide lens, CreateTO's work has identified significant annual capital and operating cost savings, created opportunities for the co-location of City services and identified underutilized sites to advance the delivery of affordable housing. The organization is also contributing to city

building in neighbourhoods across Toronto, supporting the revitalization of the Port Lands through developments like the Basin Media Hub and implementing environmental sustainability in its projects.

We are committed to advancing the City's key priorities to improve both the performance of the City and the quality of life for Torontonians through the delivery of projects that contribute towards the City's financial sustainability and represent an investment in housing, people and neighbourhoods.

Unlocked Land Value



\$2.5B

Housing



10,000 Units

*Affordable housing units planned through Housing Now only

Annual Cost Savings



\$66M

The City-wide Real Estate model, enabled by the establishment of CreateTO and CREM, has already led to the creation of substantial value for the City to invest in major city-building programs like Housing Now and ModernTO.

Unlocking Land Value

The City owns an estimated \$27 billion of real estate, including underutilized lands where the true value of real estate is unrealized. An initial goal to unlock 10 per cent of this value, or \$2.5 billion, has been established as a 10-year target.

Housing

The HousingTO 2020-2030 Action Plan sets an ambitious target of 40,000 affordable rental and supportive units over 10 years. 10,000 of these units are to be delivered by making better use of City-owned lands, such as surface parking lots.

Operating and Capital Cost Savings

The City spends approximately \$1 billion in real estate capital and \$1 billion in operating costs each year. Excluding Toronto Community Housing Corporation and Toronto Hydro, CreateTO and CREM established a 10-year target to generate five per cent savings from operating and capital costs, equal to \$66 million per year.

Priority Action

→ **Delivering Affordable Housing**

Metrics via Housing Now

15,024
total planned homes

5,394
new affordable rental homes

5,559
new market rental homes

4,071
new market homes

21 sites	20,953 direct jobs to be created in Toronto	\$1.3B+ City investment	12,629 indirect jobs to be created in Toronto	\$7.3B private sector investment
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The HousingTO 2020-2030 Action Plan, adopted by City Council in 2019, provides a blueprint for a wide range of actions across the full housing spectrum. The Plan is focused on improving the housing, health, and socio-economic outcomes for Toronto residents through a number of key actions including the approval of 40,000 new affordable rental homes by 2030, with 18,000 of those being supportive housing units.

Working with our partners in the Housing Secretariat and City Planning, CreateTO is contributing to that goal by advancing the delivery of 10,000 affordable housing units on City-owned land and Housing Now, one of the City's key initiatives, is a critical component of that work.

In addition to Housing Now, CreateTO has identified a further 700 units of affordable housing across seven City-owned sites that have been directed by City Council for real estate development, such as 260 Adelaide Street West and several of the ModernTO properties, including 610 Bay Street, 931 Yonge Street and 33 Queen Street East. CreateTO will continue to assess opportunities to advance the delivery of affordable housing on City-owned lands.

The eight-acre site at 50 Wilson Heights Boulevard is directly adjacent to the Wilson Subway Station, located at the northwest corner of Wilson Avenue and Wilson Heights Boulevard. The site is planned to include 1,484 residential homes, comprising:

520
market rental homes

520
affordable rental homes

444
market condominiums

Tridel Builders Inc. and Greenwin Holdings Inc. were awarded the contract to develop the 50 Wilson Heights Housing Now site. Once complete, the development will also include a new park, commercial/retail uses, a child care centre, new public streets, improvements to the public realm and a community space for non-profit organizations.



Tridel Builders Inc. and Greenwin Holdings Inc.

For a full list of projects, visit [createto.ca](https://www.createto.ca)

Priority Action

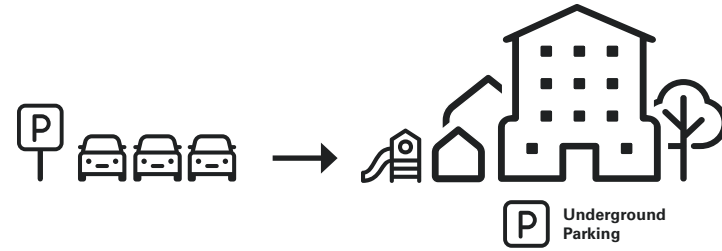
→ **Managing the City's Real Estate Assets**

\$1.5B

land value unlocked

8,000+
properties

\$30M
in annual
operating and
capital cost
savings



What do we mean by unlocking land value?

CreateTO staff have identified numerous City-owned properties that aren't being used to their full potential. In the case of the Housing Now sites, for example, many of those locations are currently occupied by surface parking lots and the true value of the land isn't being realized. To extract that value, CreateTO has proposed these underutilized sites be repurposed to accommodate other City uses, with the value of the land being invested into greater City benefits like affordable housing, community spaces, parks and public realm improvements.

office footprint
reduced by
40 locations

1M
square feet reduction
in office space

11
municipal real estate asset types

CreateTO is a steward of the City's real estate assets. The agency leverages its real estate expertise to lead a City-wide real estate strategy, identify opportunities to modernize and harmonize operations, drive service delivery for programs, and maximize real estate value in the pursuit of social, economic, environmental, and program benefits.

The ModernTO program, adopted by City Council in 2019, is an example of this work.

Through a comprehensive review of City-wide office needs, CreateTO recommended a first of its kind office portfolio strategy to better utilize the City's core office assets, and in turn dispose or repurpose office assets that were no longer required. This plan will result in the repurposing of eight City-owned sites for city-building benefits; a reduction in office space of one million square feet; and approximately \$30 million in annual operating and capital cost savings.

In 2021, CreateTO vacated its leased space and relocated its offices to City-owned space at Union Station, demonstrating leadership in the ModernTO program.

- Emergency Services
- Community Infrastructure
- Tourism, Culture & Heritage
- Utility Infrastructure
- Transportation Infrastructure
- Minor & Miscellaneous
- Office
- Residential
- Industrial
- Parking
- Transit

Identified through the ModernTO program as an underused City-owned site, the property at 610 Bay Street was previously home to the Toronto Coach Terminal and is proposed to be repurposed as a mixed-use development.

The proposed vision for the site includes:

- a mix of market and affordable units.
- a new Toronto Paramedic Services Hub
- retail/commercial space
- incorporating and preserving the existing heritage structure
- streetscape improvements along Edward Street

The process of seeking a partner for this site will be designed to promote creative and innovative proposals that aim to achieve the identified city-building priorities while promoting design excellence and encouraging respondents to partner with and integrate the project into the local community, which contains Canada's largest research hub and one of the ten largest biomedical clusters in the world.

610 Bay Street



For a full list of projects, visit createto.ca

Priority Action

→ **Creating Opportunities for City-building**

3 sites identified to accommodate

1,150

long-term care beds

repurposing

5

heritage sites

6

sites identified for new or expanded library locations

9

planned new child care centres with space for 558 children

Planned:

13

acres of parks and open space

6

paramedic posts

2

fire stations

sites for

4

new community centres identified

and

1

aquatic facility

Identifying opportunities to address program needs while creating a range of city-building benefits is the reason CreateTO was established. CreateTO works collaboratively with City stakeholders, external partners and community members to develop real estate solutions that are innovative in their approach and effective in their design and delivery – creating more livable, sustainable and inclusive communities.

The range of city-building benefits being delivered through current projects includes everything from the creation of new affordable housing, to the inclusion of paramedics posts within mixed-used developments, the creation of new child care centres, improvements to local streetscapes and public places and helping to bring City services like community centres, new libraries and long-term care facilities to neighbourhoods across Toronto.



Built in 1925, the Wellington Destructor is a large purpose-built garbage incinerator that was in active use until the mid-1970s. The heritage building was decommissioned in the 1980s and has sat vacant since. In the fall of 2021, City Council approved TAS, a Toronto-based real estate development company, as the long-term head lessee of the Wellington Destructor site.

TAS' proposal for the site will evolve the historic Wellington Destructor into an active community hub and deliver an iconic landmark. The restoration and retrofit of the building will include a dynamic mix of innovative commercial tenancies, such as production facilities, learning, programming and administrative spaces, alongside community-based organizations.

Wellington Destructor

For a full list of projects, visit createto.ca

Priority Action

→ **Supporting Port Lands Development**

6,600

planned jobs to be created throughout the Port

704,000

square feet of new film studio and production space

400+

acres of land under management, including through lease and license agreements

\$250M

in capital construction value for the Basin Media Hub

40

acres of planned new parkland

4.3

acres of brownfield remediation

1.3M

square feet of new commercial space

The Port Lands represents one of the most significant urban renewal opportunities in the city today. And, as the largest landowner in the Port Lands, CreateTO is not only active in its role as steward and property manager, but is poised to play a significant role in shaping the future of the area.

As an active port, the area currently has a concentration of industrial uses that assist in building and maintaining the broader city. The Port is also the site of one of the most important film studio and media hubs in the country – and with the soon-to-be-completed flood protection work – the Port will also become home to Villiers Island, a new 54-acre sustainable and inclusive waterfront community.

Located at 29 Basin Street, the Basin Media Hub is a proposed 500,000 sq. ft. film, television and digital media hub located in Toronto's Port Lands. The site will feature state-of-the-art sound stages and production offices to provide much-needed capacity within the sector.

The \$250 million, purpose-built, state-of-the-art film, television and digital media hub will be located on an 8.9-acre waterfront development parcel on the Ship Channel.

After completion of the construction phase, the expected economic impact of on-going film studio operations includes \$280 million in economic activity, \$119 million in net contribution to GDP and \$32 million in tax revenues across all levels of government. The partnership is expected to create 750 jobs on-site as well as 880 indirect or induced jobs in the broader community.



Basin Media Hub

For a full list of projects, visit createto.ca

Priority Action



Advancing Environmental Sustainability

7,504
tons CO2e annual reduction

=

2.3K
passenger vehicles

3.2M
litres of gas consumed

This represents an annual reduction of CO2e emissions in future developments and is equivalent to taking 2,299 passenger vehicles off the road annually or eliminating the emissions generated by the consumption of 3.2 million litres of gasoline each year.
(Source: NRCAN Greenhouse Gas Equivalencies Calculator)

17
brownfield sites

\$9.1M
invested in remediation management

CreateTO's work to advance environmental sustainability is occurring on a number of fronts, including the delivery of low carbon thermal energy across the Bloor-Kipling (Six Points) site; through the remediation of contaminated lands to prepare underutilized sites for sustainable development; and in piloting sustainable construction methods through the use of mass timber (see the opposite page for more on the City's pilot project at 1117 Dundas Street West).

District Energy

In an effort to achieve the goals of TransformTO – Toronto's climate action plan to reduce emissions from buildings and help the City achieve its greenhouse gas reduction target to reach net zero by 2050 or sooner – CreateTO and the City are partnering with Enwave to distribute low carbon thermal energy to all of the development blocks within the Bloor-Kipling (Six Points) site, including the new Etobicoke Civic Centre. In addition, the Bloor Kipling buildings are being designed to achieve the recently approved Toronto Green Standard Tier 3, Version 4. These two initiatives will enable the Bloor-Kipling (Six Points) development to achieve a reduction of over 60 per cent in energy consumption and near zero (and eventually zero) carbon emissions and a high level of resiliency.

Brownfield Remediation

The new 5.5-acre City park at 10 Ordnance Street, a former brownfield site near Strachan Avenue and Wellington Street, illustrates how our work to remediate brownfield sites enables CreateTO to deliver City-building benefits and serves as a catalyst for neighbourhood regeneration.

Historically, there was a strong industrial and manufacturing presence in the Strachan/Ordnance neighbourhood and the environmental remediation of this site was as a necessary step towards the revitalization of the neighbourhood, which has also included the construction of the Garrison Crossing pedestrian and cycling bridge and the development of affordable housing within Garrison Point.

Toronto Green Standard

CreateTO is committed to ensuring all Housing Now, ModernTO and any future CreateTO-initiated projects meet or exceed the Toronto Green Standard, which sets out the key sustainable performance measures new developments are required to meet to address climate adaption, mitigation and resilience.

CreateTO, in collaboration with City Planning, the Housing Secretariat, and the City's Environment and Energy Division, is working to deliver a sustainable mass timber pilot project to provide an innovative affordable rental housing development on the City-owned site at 1117 Dundas Street West.

The pilot program will repurpose a surface parking lot and demonstrate the ability to achieve new housing, including affordable and market rental units, through a development that achieves high quality design in a mass timber form, which supports the extraction of carbon from the atmosphere.

The demonstration plan and future development supports the collective advancement of the City's growth, housing, and sustainability objectives and is designed to deliver an innovative program that can advance the City's approach to housing delivery and sustainability.

Mass Timber Construction



For illustrative purposes only
Photo by R-Hauz

For a full list of projects, visit createto.ca

Board of Directors



Ron Carinci
Chair



Sandra Levy
Vice Chair



Councillor Paula Fletcher
Director



Deputy Mayor Ana Bailão
Director



Marni Dicker
Director



Dennis Fotinos
Director



Allison Mendes
Director



Marcie Zajdeman
Director

Project List

Housing Now Phase 1

Bloor-Islington
Bloor-Kipling (Six-Points)
770 Don Mills Road
805 Don Mills Road
1250 Eglinton Avenue West
251 Esther Shiner Boulevard
3933 Keele Street
140 Merton Street
777 Victoria Park Avenue
705 Warden Avenue
50 Wilson Heights Boulevard

Housing Now Phase 2

158 Borough Drive
2444 Eglinton Avenue East
1627 & 1675 Danforth Avenue
(Danforth Barns)
1631 Queen Street East
150 Queens Wharf Road
405 Sherbourne Street

Housing Now Phase 3

Block R6 – Bayside
40 Bushby Drive
2700 Eglinton Avenue West
4040 Lawrence Avenue East

Housing Now Future Pipeline Sites

Allen East District
Block 7 Christie's Secondary Plan
101 Coxwell Avenue
Parkdale Hub
1/20 Shortt Street
5151 Yonge Street

Other Affordable Housing

Alexandra Park Co-operative
25 Bellevue Avenue
15 Denison Avenue
1113-1117 Dundas Street West
101 Grangeway Avenue North
101 Grangeway Avenue South
2 Murray Street
130 St. Patrick Street
996 Woodbine Avenue

Modular Housing

175 Cummer Avenue
321 Dovercourt Road
39 Dundalk Drive
11 Macey Avenue
Lot at the corner of Trenton
and Cedarvale Avenues

Major City-building Projects

260 Adelaide Street West
Allen East District
2 Bloor Street East
Booth Yards Master Plan
1627 & 1675 Danforth Avenue
(Danforth Barns)
Davisville Feasibility Study
Edgeley Village
Etobicoke Civic Centre
2050 Finch Avenue West Community Hub
New TTC Bus Garage Acquisition
(Keating Yards)
St. Lawrence Centre for the Arts
Liberty Village City Property
Review Study
Memorial Park Precinct Plan
Old City Hall
Parkdale Hub
200 Poplar Road
705 Progress Master Plan
229 Richmond Street West
Tamil Community Centre
Wellington Destructor
4 Hollis Street

Portfolio Strategies

ModernTO

- 610 Bay Street and 130 Elizabeth Street
- 95 Esplanade
- 277 Victoria Street
- 931 Yonge Street
- 1900 Yonge Street
- 18 Dyas Road
- 33 Queen Street East
- 75 Elizabeth Street

Industrial Portfolio

Paramedic Services Portfolio
Toronto Fire Services Portfolio
Parking Portfolio
TTC Portfolio

Economic Development and Culture
Portfolio Review

Community Infrastructure Portfolio:

- Parks Forestry and Recreation
- Toronto Employment and Social Services
- Toronto Public Library

Environmental Sustainability

Mass Timber Construction Feasibility

- 1627 Danforth Avenue
- 1117 Dundas Street West
- 150 Queens Wharf Road
- 996 Woodbine Avenue

Enwave Bloor-Kipling District
Energy Agreement

Long-Term Care Portfolio Sites

4610 Finch Avenue East
910 York Mills Road
251 Esther Shiner Boulevard

Library Portfolio Sites

St. Lawrence Library relocation
(125 The Esplanade)
40 St. Clair Avenue West
Parkdale Hub
Danforth Garage
Old City Hall
Etobicoke Civic Centre

Port Lands

Basin Media Hub
Leslie Lookout Park
ML Ready Mix relocation
Property Management
South Port Business Planning
Unwin Revitalization
Villiers Island Business Plan

Active Projects on City-owned Parking Lots

363 Adelaide Street West
35 Bellevue Avenue
838 Broadview Avenue
20 Castlefield Avenue
34 Hanna Avenue
15 Price Street
1325 Queen Street West
105 Spadina Avenue
15 Wellesley Street East

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