

CreateTO 2025 Operating Budget

Date: October 15, 2024

To: The Board of Directors of CreateTO

From: Chief Executive Officer

Wards: All

SUMMARY

As the City of Toronto's real estate agency, CreateTO applies a strategic city-wide lens to Toronto's real estate holdings, develops City buildings and lands for municipal purposes and delivers real estate solutions to advance City Council's key public policy goals and meet the program needs of City Divisions, Agencies and Corporations (DACs).

CreateTO is a self-sustaining agency and submits a net zero budget to the City of Toronto. Through its managed companies Build Toronto & Toronto Port Lands Company, sufficient revenue is generated to fulfil the operating requirements of CreateTO.

The resources supported by the 2025 CreateTO Operating Budget will be deployed to help address some of the city's most pressing challenges, from building affordable homes and inclusive communities, to creating cultural and employment opportunities, driving economic prosperity, achieving our climate goals, and increasing our collective quality of life.

RECOMMENDATIONS

The Chief Executive Officer recommends that the Board of Directors of CreateTO approve CreateTO's 2025 Operating Budget and direct the Chief Executive Officer to submit the budget to the City of Toronto as part of the 2025 budget process.

FINANCIAL IMPACT

CreateTO is a self-sustaining agency and submits a net zero budget to the City of Toronto.

The 2025 expenditure budget of \$18.95 million represents an increase of \$0.49 million gross, \$0 net.

Table 1: 2025 Budget Compared to 2024 Budget

(in Millions)	2025	2024	Change
	Budget	Budget	
	\$	\$	\$
Revenue			
Advisory & operations management ¹	8.66	6.96	1.70
Port Lands management ²	5.73	5.31	0.42
City project management ³	4.56	4.98	(0.42)
Other revenue ⁴	-	1.21	(1.21)
	18.95	18.46	0.49
Expenditures			
Salaries and benefits ⁵	16.84	16.35	0.49
Professional fees	0.35	0.35	-
Marketing & promotion	0.25	0.25	-
Office services & other	1.11	1.11	-
Project investigative costs	0.40	0.40	-
	18.95	18.46	0.49
Net Budget	-	-	-
Staff Complement	84	84	-

1. Advisory & operations management revenue is received by CreateTO to explore, address, and solution real estate requests from Divisions, Agencies, Corporations, City Council and City leadership. This work can range from project investigative work on potential development opportunities, providing advice related to portfolio strategies and developing new strategies to address the short and long-term real estate needs of DACs to support service delivery.

2. Port Lands management revenue is received to support the day-to-day property management and asset management functions in the Port Lands.

3. City project management revenue is earned to advance capital real estate projects on behalf of the City. These projects include housing projects funded through the Housing Secretariat, and ModernTO projects funded through Corporate Real Estate Management Services (CREM). These requests are subject to Council approval through the 2025 capital budget process.

4. In 2025, other revenue, related to historic budget transfers from CREM, has been eliminated. This was transitional funding and will discontinue going forward. These costs will be absorbed by CreateTO.

5. Salary and benefits have increased by \$0.49 million due to inflationary impacts.

DECISION HISTORY

Budgets for CreateTO are required to be submitted on an annual basis to the Board of Directors, and ultimately to City Council for approval.

<https://www.toronto.ca/legdocs/municode/toronto-code-215.pdf>

COMMENTS

In 2025, CreateTO will continue to identify, evaluate, and provide strategic real estate solutions to meet the needs of the City of Toronto. The resources supported by the 2025 CreateTO Operating Budget will be deployed to execute on the following priorities:

1. Provide real estate advisory services and solutions to City Divisions, Agencies and Corporations to help address their capital real estate needs in order to expand, enhance and improve programs and services to the residents of Toronto.
2. Deliver Council-directed policy goals: City Council is committed to improving the quality of life for Torontonians by focusing on key public policy goals in order to achieve a more affordable, liveable and resilient city. In keeping with these objectives, CreateTO develops real estate solutions to optimize the use of City-owned real estate to achieve meaningful impact in the following policy areas:
 - Housing: The city continues to face an unprecedented housing crisis and championing the City's vision of providing affordable housing on City-owned land is central to our approach at CreateTO. CreateTO will continue to support the City's new Rental Housing Supply Program which will advance construction on 18 priority housing projects. The agency will also provide solutions that meet the vital housing needs of Torontonians by working with our City partners to bring forward a wide range of housing solutions on a number of other City-owned sites.
 - Environmental Sustainability: CreateTO also applies a focus towards climate resiliency and sustainability in order to advance the City's sustainability objectives on a number of fronts. This includes the public builder project at 1113-1117 Dundas St. West, which serves as a leading example of achieving environmental sustainability through the use of geothermal energy and mass timber construction.
 - Economic Development: CreateTO will continue to advance key projects such as the development of the Basin Media Hub, which is anticipated to add 750 direct jobs and a further 880 indirect jobs; and through ModernTO, which includes the redevelopment of 931 Yonge St., the current Toronto Community Housing head office. This development will repurpose the site to a mixed-income, mixed-use, 32-storey high-rise

development that will accommodate 250 new homes.

- Equity & Inclusion: CreateTO is constantly evolving as an organization and the agency is committed to fostering a place of belonging for all staff while also working to make the city more inclusive through the work we do.
 - Truth & Reconciliation: CreateTO is committed to supporting the City's Reconciliation Action Plan and to strengthening our relationships with First Nations, Inuit and Métis communities in Toronto. All CreateTO staff participate in Truth and Reconciliation Indigenous Awareness training with Nbsiing Consulting as a commitment to being strong allies and to be inclusive in our approach towards our work. On our Leslie Lookout Park project, which opened to the public in September 2024, the input provided through our Indigenous Community Sharing Meetings shaped the design of the park, specifically the lookout tower, which features openings to the sky and the four cardinal directions. To honour the significance of the waterfront site, the official opening ceremony was held in a circle and included a ceremonial fire.
 - Cultural Vitality: CreateTO will continue working with our stakeholders and partners to collaborate on projects that contribute to the cultural vibrancy of the surrounding community and the broader city at large. Together with our colleagues in Economic Development and Culture, CreateTO is working to identify City-owned properties suitable for music organizations for use as meanwhile spaces.
3. Support Port Lands development: CreateTO is the majority landowner in the Port Lands, which is one of the largest and most valuable undeveloped pieces of real estate in North America. On behalf of the City, CreateTO is committed to making sure the people of Toronto get the most value out of this amazing part of the city. The agency manages more than 80 tenants that provide important supplies and services to the downtown core; is continuing to advance the long-term vision to create sustainable new communities in the Port within McCleary District and Villiers Island; is supporting the ongoing flood protection work by Waterfront Toronto and supporting further development of the film industry in the area through projects like Basin Media Hub.

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SIGNATURE

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Chief Executive Officer