

2025 Budget Notes

CreateTO

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Description

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 to meet the program needs of City divisions, agencies, and corporations.

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

Toronto has more than 8,400 properties within its real estate portfolio. CreateTO offers creative and strategic approaches to solving some of our 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.

Why We Do It

The City's real estate portfolio holds tremendous value, both financially and in its potential to be operated and activated for the public good. CreateTO was created to put that value to use for our city, by applying a strategic, city-wide lens to Toronto's real estate holdings.

Since the agency's inception in 2018, CreateTO has identified over \$2 billion in value creation for the City through strategic real estate planning and more effective use of City-owned assets – value that has been invested into City priorities such as affordable housing, community and civic space, and improved services for the people of Toronto.

The City of Toronto aims to deliver these outcomes equitably, efficiently and with excellent customer service to help improve the lives of Torontonians and work to earn their trust and confidence.

For further information about CreateTO, please visit: <https://createto.ca>

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What Service We Provide

Real Estate Advisory Services and Solutions for City Divisions, Agencies and Corporations

Who We Serve: City Council, City Divisions, Agencies and Corporations (DACs), and Toronto residents.

What We Deliver: The agency works with the City of Toronto’s 68 Divisions, Agencies, and Corporations to provide solutions that align program needs with the City’s real estate assets and with the goal of optimizing the use of each site, while also delivering on urgent Council-directed policy priorities.

How Much Resources (gross 2025 operating budget): \$5.7 million

Affordable Housing Delivery

Who We Serve: City Council, City Divisions, Agencies and Corporations, Toronto residents, real estate developers and housing operators.

What We Deliver: Working with our City partners, the agency works collaboratively to advance City Council’s vision to urgently build more affordable housing on City-owned lands and identifies real estate opportunities designed to meet the vital housing needs of Torontonians.

How Much Resources (gross 2025 operating budget): \$6.9 million

Port Lands’ Asset Management and Property Management

Who We Serve: City Council, City Divisions, Agencies and Corporations, Toronto residents, real estate developers, corporations and businesses.

What We Deliver: On behalf of the City, the agency actively manages a commercial and industrial lease portfolio comprising over 425 acres and 80 tenancies in the Port Lands. The agency also advances precinct-level master planning, capital projects and development plans, with a particular focus on major employment uses such as the film and media sector that support the ongoing revitalization of the Port Lands to ensure this downtown district delivers maximum value for the City and the people of Toronto.

How Much Resources (gross 2025 operating budget): \$6.3 million

Budget at a Glance

2025 OPERATING BUDGET				2025 - 2034 10-YEAR CAPITAL PLAN			
\$Million	2025	2026	2027	\$Million	2025	2026-2034	Total
Revenues	\$18.9	\$19.3	\$19.7	CreateTO has no Capital Budget			
Gross Expenditures	\$18.9	\$19.3	\$19.7				
Net Expenditures	\$ 0.0	\$ 0.0	\$ 0.0				
Approved Positions	84.0	84.0	84.0				

How Well We Are Doing

CreateTO continues to focus on delivering key City initiatives. Since the agency's inception, CreateTO, working with the Corporate Real Estate Management division, has identified significant value for the City as demonstrated in the charts below.

Table 1: Cumulative value generated:

Outcome	Identified to date (2018-23)
Land value unlocked	\$2.0 billion ⁽¹⁾
Operating cost savings	\$26 million/year ⁽²⁾
Capital cost savings	\$4.5 million/year ⁽³⁾

[1] Unlocked land value includes sites identified for intensification across Housing Now, ModernTO and various other Housing sites

[2] Operating cost savings identified in the ModernTO - Workplace Modernization Program

[3] Capital cost savings identified in the ModernTO - Workplace Modernization Program

To date, the outcomes projected from identified opportunities are as follows:

Table 2: Opportunities identified to date.:

Identified Opportunity	Projected Outcome
Affordable Housing	6,065 units ⁽¹⁾
Total Housing	18,193 units ⁽¹⁾
Office space reduction/savings	1,000,000 square feet
New community space	345,847 square feet
New park lands	2,434,692 square feet
Greenhouse gas reductions	8,389 tonnes CO2 equivalent annually (emissions reductions over baseline)
Employment impact	23,961 direct FTE jobs 14,385 indirect FTE jobs

[4] Housing Now Phases 1, 2 & 3, ModernTO and various other Housing sites

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- **Housing:** CreateTO, together with the City and our development partners, celebrated major milestones as we continued to deliver more housing. In 2024, zoning amendments were approved by Council on sites like 777 Victoria Park Avenue, 2444 Eglinton Avenue East, and 275 Merton Street. Combined, these projects will deliver more than 2,000 new homes, including a minimum of 30 per cent affordable rentals and rent-controlled co-operative homes. CreateTO also provided support to the Housing Secretariat on the Rental Housing Supply Program, which will provide additional funding and incentives towards 18 housing projects, aligning with the City's HousingTO and Housing Action Plan objectives.
- **Environmental Sustainability:** CreateTO is proud to help advance the City's sustainability objectives, including through the Mass Timber pilot project at 1113-1117 Dundas Street West. Rezoning on this development, which will be one of the lowest carbon buildings in Toronto, was approved by City Council in 2024. Further, the new Etobicoke Civic Centre, which broke ground in 2024, will use district energy and become part of Toronto's first near net zero emissions community.
- **Economic Development:** In 2024, CreateTO announced a partnership for the redevelopment of 610 Bay Street and 130 Elizabeth Street, the former Toronto Coach Terminal site. The development provides an exciting opportunity to preserve a heritage asset while enabling the delivery of affordable housing targeted towards health care workers and the Indigenous community and other city-building benefits, including the delivery of a Paramedic Services Multi-Hub, the inclusion of an organ repair centre, a public plaza and both retail shops and cafes.
- **Equity and Inclusion:** CreateTO is committed to Equity and Inclusion in the workplace and in our project delivery. We continue to implement our Diversity, Equity and Inclusion (DEI) strategy across the organization and are supporting DEI-related projects across the City, including shelters and the delivery of affordable housing.
- **Truth and Reconciliation:** CreateTO is committed to taking meaningful actions to advance the City's Reconciliation Action Plan (RAP) and to develop strong relationships with First Nations, Inuit and Métis communities. We are participating in the City's RAP Steering Committee, continue to provide Indigenous cultural competency training for all staff, partnering with the City's Indigenous Affairs Office to find community space for Indigenous organizations to deliver services and collaborating with our partners to better engage Indigenous communities in our work. On Leslie Lookout Park, for example, 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. A mural depicting the Great Anishinaabe Migration by Indigenous artist and architectural designer Dani Kastelein-Longlade of Brook McIlroy was installed on the hoarding while the park was being constructed and the official opening ceremony was held in a circle and included a ceremonial fire.
- **Cultural Vitality:** In 2024, CreateTO, with the City and our development partners, broke ground on the new Etobicoke Civic Centre: a state-of-the-art civic hub including a community recreation centre, a public library, a non-profit childcare centre, community spaces and a new civic square for public programming and events. It is also the cornerstone of creating a complete community for the City-owned lands at Bloor-Kipling. CreateTO also proudly completed and opened Leslie Lookout Park, a new City park and public beach in the Port Lands that provides the public with dramatic views of the Toronto skyline.

Key Challenges and Risks

- **Market conditions:** External factors such as interest rates, inflation, availability of skilled trades, financing, overall market demand/household spending, and increasing cost of construction.

Priority Actions

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 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 several other City-owned sites.
 - Environmental Sustainability: CreateTO also applies a focus towards climate resiliency and sustainability to advance the City's sustainability objectives on several fronts. This includes the public builder project, 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 directly or indirectly support approximately 2,600 jobs, including more than 1,200 on-site jobs and generate an estimated \$457 million in total annual economic activity; and through the continued roll out of the ModernTO program, 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 and 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 and 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 Nbisiing Consulting as a commitment to being strong allies and to be inclusive in our approach towards our work.
 - 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 Ookwemin Minising; 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.

CITY STAFF PREPARED BUDGET

The City Manager and Chief Financial Officer and Treasurer have prepared the following budget:

1. The 2025 Operating Budget for CreateTO of \$18.953 million gross, \$18.953 million revenue and \$0.0 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
CreateTO	18,953.2	18,953.2	0.0
Total CreateTO Budget	18,953.2	18,953.2	0.0

- The 2025 staff complement for CreateTO of 84.0 positions is comprised entirely of operating positions.

2025 OPERATING BUDGET

2025 OPERATING BUDGET OVERVIEW

Table 1: 2025 Operating Budget by Service

(In \$000s)	2023 Actual	2024 Budget	2024 Projection *	2025 Base Budget	2025 New / Enhanced	2025 Budget	Change v. 2024 Budget	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
CreateTO	16,646.4	18,463.0	18,463.0	18,953.2		18,953.2	490.2	2.7%
Total Revenues	16,646.4	18,463.0	18,463.0	18,953.2		18,953.2	490.2	2.7%
Expenditures								
CreateTO	16,646.4	18,463.0	18,463.0	18,953.2		18,953.2	490.2	2.7%
Total Gross Expenditures	16,646.4	18,463.0	18,463.0	18,953.2		18,953.2	490.2	2.7%
Net Expenditures								N/A
Approved Positions**		84.0	N/A	84.0		84.0	N/A	N/A

*2024 Projection based on 9 Month Variance

**YoY comparison based on approved positions

KEY DRIVERS

Total 2025 Budget expenditures of \$18.953 million gross reflects an increase of \$0.490 million in spending above 2024 budget, predominantly arising from salaries and benefits adjustments.

EQUITY IMPACTS OF BUDGET CHANGES

CreateTO's 2025 Operating Budget will enable positive equity impacts through the delivery of affordable housing on transit-oriented sites, the execution of development community benefits agreements resulting in services being procured from under-represented communities, increased engagement with historically under-represented equity-deserving groups, and the development of an agency-wide approach to Indigenous engagement.

2025 OPERATING BUDGET KEY COST DRIVERS

The 2025 Gross Operating Budget for CreateTO of \$18.953 million is \$0.490 million or 2.7% greater than the 2024 Gross Budget. Table 2 below summarizes the key cost drivers for the 2025 Budget.

Table 2: 2025 Key Cost Drivers

(In \$000s)	2025				2026 Annualized impact (Net)
	Revenues	Gross	Net	Positions**	
2024 Projection*	18,463.0	18,463.0	-	N/A	N/A
2024 Budget	18,463.0	18,463.0	-	84.0	N/A
Key Cost Drivers:					
Salary & Benefits	490.2	490.2	-		
Sub-Total - Key Cost Drivers	490.2	490.2	-		
Total 2025 Base Budget	18,953.2	18,953.2	-	84.0	
2025 Budget	18,953.2	18,953.2		84.0	
Change from 2024 Budget (\$)	490.2	490.2	-	N/A	N/A
Change from 2024 Budget (%)	2.7%	2.7%	-	N/A	N/A

*Based on 9 Month Variance

**YoY comparison based on approved positions

Key Base Drivers:**Salaries and Benefits:**

Increase in salaries and benefits due to inflationary impacts is fully offset by base revenue adjustments resulting from increased contributions from Build Toronto, and Toronto Port Lands Company's recurring leasing/licensing revenues to support CreateTO operations.

2026 AND 2027 OUTLOOKS**Table 3: 2026 and 2027 Outlooks**

(In \$000s)	2025 Budget	2026 Incremental Outlook	2027 Incremental Outlook
Revenues			
Advisory & Operations Management	18,953.2	173.3	176.7
Portlands Management		114.6	116.9
City Project Management		83.2	84.9
Other Revenue			
Total Revenues		371.1	378.5
Gross Expenditures			
Salary & Benefits	18,953.2	334.5	341.2
Office & Other Services		36.6	37.3
Total Gross Expenditures		371.1	378.5
Net Expenditures			
Approved Positions	84.0	84.0	84.0

Key Outlook Drivers

The 2026 Outlook with total gross expenditures of \$19.324 million reflects an anticipated \$0.371 million or 2.0% increase in gross expenditures compared to the 2025 Operating Budget. The 2027 Outlook expects a further increase of \$0.379 million or 2.0% above the 2026 Outlook.

The base budget pressures identified in both 2026 and 2027 Outlook years are due to inflationary impacts including salary and benefit increases.

Base revenue will adjust accordingly to reflect the actively managed City's real estate projects and assets as well as portfolio across the Port Lands.

APPENDICES

Appendix 1

2025 Operating Budget by Category

Category (In \$000s)	2022 Actual	2023 Actual	2024 Budget	2024 Projection*	2025 Budget	2025 Change from 2024 Budget	
	\$	\$	\$	\$	\$	\$	%
Advisory & Operations Management	3,539.8	6,287.3	6,957.2	6,957.2	8,663.3	1,706.0	24.5%
Portlands Management	4,595.0	5,020.4	5,308.4	5,308.4	5,732.0	423.6	8.0%
City Project Management	7,312.4	4,445.1	4,982.4	4,982.4	4,557.9	(424.5)	(8.5%)
Other Revenue	593.7	893.6	1,215.0	1,215.0		(1,215.0)	(100.0%)
Total Revenues	16,040.9	16,646.4	18,463.0	18,463.0	18,953.2	490.2	2.7%
Salary & Benefits	14,161.7	14,577.3	16,235.5	16,235.5	16,725.6	490.2	3.0%
Office & Other Services	1,879.2	2,069.1	2,227.5	2,227.5	2,227.6	0.0	0.0%
Total Gross Expenditures	16,040.9	16,646.4	18,463.0	18,463.0	18,953.2	490.2	2.7%
Net Expenditures	-	-	-	-	-	-	-

*Projection based on 9 Month Variance

Appendix 2

Summary of 2025 Service Changes

N/A

Appendix 3

Summary of 2025 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 4

Operating Program Provincial/Federal Funding Streams by Program

N/A

Appendix 5

2025 Capital Budget;

2026 - 2034 Capital Plan Including Carry Forward Funding

N/A

Appendix 5a

2025 Cash Flow and Future Year Commitments Including Carry Forward Funding

N/A

Appendix 5b

2025 Capital Budget;

2026 - 2034 Capital Plan Including Carry Forward Funding

N/A

Appendix 6

Reporting on Major Capital Projects: Status Update

N/A

Appendix 7

Capacity to Deliver Review

N/A

Appendix 8

Summary of Capital Delivery Constraints

N/A

Appendix 9

Capital Program Provincial/Federal Funding Streams by Project

N/A

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

N/A

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels in annual budget.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Deliver: Ability to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget and Plan: A Capital Budget and Plan is the City's 10-year strategy to acquire/build assets or extend the useful lives of existing assets. The Capital Budget is the first year of approved cash flows and future year's commitments and the remaining nine years include project estimates.

Capital Delivery Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced Service Priorities: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provide services.

Operating Impact of Completed Capital Projects: The Operating Budget Impact of Capital is the change in operating expenditure and/or revenue, which is projected to occur during the implementation of a capital project and/or when a capital project is completed. These changes should be documented on a Business Case Form in the appropriate category.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority.

Salary and Benefit Adjustment: General increases related to contractual obligations, such as cost of living, step increases, performance for pay and progression pay.

State of Good Repair (SOGR): The cost of maintaining assets to ensure that they can support the delivery of City services and meet service outcomes.

Tax Supported Budget: Budget funded by property taxes.

User Fees: Includes all program-generated fees and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).