

Acquisition of Future Community Space for City Use - 45 to 47 Sheppard Avenue East

Date: December 15, 2025

To: City Council

From: Executive Director, Corporate Real Estate Management

Wards: 18 - Willowdale

REASON FOR CONFIDENTIAL INFORMATION

The attachment to this report contains information regarding a proposed or pending acquisition or disposition of land by the City of Toronto.

SUMMARY

This supplemental report provides City Council with information relating to the City's acquisition of community space (the "City-funded Community Space") to supplement the in-kind community space secured through the development application for the proposed development at 45 to 47 Sheppard Avenue East. The City's cost to acquire the City-funded Community Space will be offset by a development charge credit against the Parks and Recreation component of the Development Charges.

The community space will occupy a minimum of 1,858 square metres and will be constructed and conveyed as a "turnkey" facility to the City. The establishment of a standalone Neighbourhood Association of Community Centres (AOCC) facility was deemed operationally and financially feasible to operate the community space.

Item NY28.15 "45 to 47 Sheppard Avenue East - Official Plan and Zoning By-law Amendment Application - Decision Report - Approval" was adopted by North York Community Council on December 5, 2025 and will be considered by City Council on December 16, 2025, concurrently with this report.

RECOMMENDATIONS

The Executive Director, Corporate Real Estate Management recommends that:

1. City Council authorize the City to enter into an agreement of purchase and sale with the owner of the property municipally known as 45-47 Sheppard Avenue East for 1,096 square metres of community space, to be constructed pursuant to the approvals provided for by the adoption of Item NY28.15, the terms and conditions set out in Appendix A and the Confidential Attachment 1 to this report, and on such other or amended terms and conditions that are acceptable to the Executive Director, Corporate Real Estate Management, in consultation with the Executive Director, Social Development, and in a form satisfactory to the City Solicitor.
2. City Council authorize the public release of Confidential Attachment 1 to this report from the Executive Director, Corporate Real Estate Management following the closing of any purchase transaction.

FINANCIAL IMPACT

The financial details related to the acquisition of the City-funded Community Space can be found in the Confidential Attachment 1 to this report.

Funding to acquire the City-funded Community Space may be funded from future Parks and Recreation Development Credits arising from the 45 to 47 Sheppard Avenue East development, and, once funding sources are secured, will be included in Corporate Real Estate Management's future budget submissions and forthcoming Association of Community Centres Facilities and Operations Plan.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

On December 5, 2025, North York Community Council adopted Item NY28.15 - 45 to 47 Sheppard Avenue East - Official Plan and Zoning By-law Amendment Application - Decision Report - Approval. approval of the application to amend the Official Plan and Zoning By-law to permit a four tower mixed use development at 45-47 Sheppard Avenue East consisting of heights of 30, 49, 53 and 59 storeys.

On November 12 and 13, 2025, City Council adopted Item EC24.2 - Strategic Expansion of the Association of Community Centres in New Development Projects to Strengthen Toronto Communities. The Strategy introduces AOCCs as a viable community development option. It includes place-based assessment guidelines, scalable facility models, and a multi-year Facilities and Operations Plan. These measures will modernize existing AOCCs and integrate new ones into development projects, co-located with municipal services to promote equity, and complete communities.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.EC24.2>

On March 26 and 27, 2025 City Council adopted Item MM28.41 - Feasibility of Establishing an Intercultural Hub or Association of Community Centres at 45-47 Sheppard Avenue East. This motion directed Social Development and Corporate Real Estate Management, in collaboration with Parks and Recreation, City Planning, Development Review, and Economic Development and Culture, to explore the feasibility of establishing an Intercultural Hub or AOCC through this development application at 45-47 Sheppard Avenue East.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.MM28.41>

On July 24 and 25, 2024, City Council adopted Item EC14.7 - Targeted Expansion of the Association of Community Centres to Support Community Development in Toronto. This report directed Executive Director, Social Development and other relevant divisions and agencies to report back in the third quarter of 2025, with recommendations to advance the City of Toronto's Association of Community Centres Expansion Framework, including an Implementation Plan and Resourcing Strategy.

<https://www.toronto.ca/legdocs/mmis/2025/ec/bgrd/backgroundfile-259382.pdf>

COMMENTS

Through negotiations with the applicant regarding Official Plan and Zoning By-law Amendments for their proposed development at 45 to 47 Sheppard Avenue East (the "Development"), City staff secured a total of 1,858 square metres of space within the Development to be constructed for and conveyed to the City. Part of the space (762 square meters) will be provided for nominal consideration, as an in-kind Community Benefits Charge (CBC) contribution related to the Development. The remaining 1,096 square metres of community space is proposed to be purchased by the City (the "City-funded Community Space"), the cost of which is to be offset by a development charge credit against the Parks and Recreation component of the Development Charges, in accordance with the terms set out in Appendix A and the Confidential Attachment 1 to this report.

The proposed location for the community space is Building D, at the southeast corner of the site, accessible from the future Doris Avenue Extension. The community space is expected to be constructed within the second phase of the Development. A dedicated at-grade lobby at the northeast corner of the building will ensure visibility and accessibility. The community space will occupy a minimum of 1,858 square metres across a combination of the ground, second, third or mezzanine levels. The space will be constructed and conveyed as a "turnkey" facility to the City, subject to the terms and specifications set out in the Association of Community Centres Term Sheet identified in Attachment 10 to the report dated November 19, 2025 from the Director, Community Planning, North York District.

The establishment of a standalone Neighbourhood AOCC facility was deemed operationally and financially feasible to operate the community space. This model is well-suited for communities with growing service demand and is appropriate for integration into mixed-use developments to support a sustained presence as a neighbourhood anchor.

CONTACT

Alison Folosea, Director, Real Estate Services, Corporate Real Estate Management,
416-338-2998, Alison.Folosea@toronto.ca

Zenia Wadhvani, Director, Community Resources, Social Development, 416-392-8641,
Zenia.Wadhvani@toronto.ca

SIGNATURE

Patrick Matozzo
Executive Director, Corporate Real Estate Management

ATTACHMENTS

Confidential Attachment 1
Appendix A - Terms and Conditions

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Item	Details
Property	A fee simple interest in part of the property at 45-47 Sheppard Avenue East, to be constructed pursuant to the development approvals provided for by adoption of Item NY28.15, being part of a Community Space with an area of 1,096 square metres to be legally described on a reference plan prepared by the Vendor to the satisfaction of the City.
Vendor	The owner of the property municipally known as 45-47 Sheppard Avenue East.
Purchase Price	As described in Confidential Attachment 1.
Closing	Closing Date to be concurrent with the conveyance of the 762 square meters of in-kind Community Space
Conditions	<p>Prior to the closing date, the Vendor and the City shall enter into any easement agreements and Cost Sharing Agreements required, to be registered on title on the Closing Date for nominal consideration and at no cost to the City, in a form satisfactory to the City Solicitor.</p> <p>The Community Space shall be constructed and delivered in Base Building Condition in accordance with the terms and specifications as set out in Attachment 10 of the report dated November 19, 2025 from the Director, Community Planning, North York District.</p>
Option to Terminate	<p>The City may elect to terminate this agreement, on written notice delivered to the Vendor at any time before 90 days after receipt by the Vendor of notice of complete application for site plan control for the second phase of the Development.</p> <p>This early termination right shall expire if not delivered prior to 90 days after receipt by the Vendor of notice of complete application for site plan control for the second phase of the Development.</p>
Parking	The City shall have a right of first refusal to purchase up to five parking spaces within the Development, at a lease rate or price no more than other parking spaces in the development. This right shall expire ten days prior to closing.