

NOTICE OF MOTION/MOTION WITHOUT NOTICE

2444 Eglinton Avenue East – Project Amendments

Moved by: Councillor

Thompson
Perks

Seconded by: Councillor

Confidential Attachment - Confidential Attachment 1

The attachment to this motion relates to a proposed or pending disposition of property by the City and a position, plan, procedure, criteria or instruction to be applied to negotiations carried on or to be carried on by or on behalf of the Board of Directors of CreateTO and the City, and contains financial information, supplied in confidence to the City and CreateTO, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere with the contractual or other negotiations.

SUMMARY:

In December 2018, City Council adopted item [CC1.3](#), approving the Housing Now program, intended to activate City-owned surplus sites for the development of affordable housing. In May 2020, City Council adopted item [CC21.3](#), which approved adding 6 additional sites to phase two of the Housing Now initiative, including the lands at 2444 Eglinton Avenue East, and provided delegated authority to approve any lease, transfer and other property transactions involving the phase two sites.

In April 2023, following the completion of a competitive market call, the CreateTO Board of Directors adopted item [RA4.5](#), approving the proponents and endorsing key business terms to advance the development at 2444 Eglinton Avenue East. The project is a mixed-use development consisting of 3 residential towers – one market ownership and two co-op buildings. The site is one of the largest affordable housing projects in Ontario in the past 25 years and the province's largest co-operative development, delivering a total of 612 new co-op homes.

The two co-op towers are being developed by Kennedy Green Non-Profit Co-operative Inc. and are proceeding in the first phase of construction, which commenced in November 2025, with the market ownership building to be developed by CW Kennedy LP.

Pursuant to the approved business terms, authorized in accordance with [CC21.3](#), the City intended to sell a portion of the land at 2444 Eglinton Avenue East to CW Kennedy LP (the “Market Lands”) and lease a portion of the land to Kennedy Green Non-Profit Co-operative Inc. for 99 years (the “Non-Profit Lands”). The proceeds from the sale of a portion of the lands to CW Kennedy LP, the value of which is set out in Confidential Attachment 1, were intended to be provided to Kennedy Green Non-Profit Co-operative Inc. The City was not responsible for this payment, other than directing CW Kennedy LP to send the funds to Kennedy Green Non-Profit Co-operative Inc. on closing.

Due to current market conditions, CW Kennedy LP has indicated that it is not in a position to complete the purchase of the Market Lands in a timely manner. Because Kennedy Green Non-Profit Co-operative Inc. was expecting the funds, the City is pursuing alternative mechanisms to support the co-op.

Although staff continue to work towards an agreement with CW Kennedy LP to complete the development on the Market Lands, authority is being sought to approve amended key business terms to ensure the affordable housing project on the Non-Profit Lands continues to advance.

Housing Development Office staff, in consultation with CreateTO and Corporate Real Estate Management, and in accordance with [CC21.3](#), are recommending the original business terms be amended to (i) to remove CW Kennedy LP and the Market Lands from the development if negotiations are unsuccessful, and (ii) issue a provisional funding letter, if required.

In the event the Market Lands are removed from the development, staff will assess opportunities to recover the funds through a future market transaction and seek additional authorities as required.

Reason for Urgency:

To ensure the project at 2444 Eglinton Avenue East continues uninterrupted, the City is seeking Council approval to proceed with the instructions outlined in this motion.

RECOMMENDATIONS:

1. City Council authorize the Deputy City Manager, Corporate Services and the Chief Financial Officer and Treasurer, in consultation with the Executive Director, Housing Development Office and the Chief Executive Officer, CreateTO, to amend the approved business terms for the Housing Now development at 2444 Eglinton Avenue East (the “Development”) by removing the ‘market lands’ portion of the development, described as Part 1 on Plan 66R-34709, and CW Kennedy LP as a development partner.
2. City Council authorize the Deputy City Manager, Corporate Services and the Chief Financial Officer and Treasurer, in consultation with the Executive Director, Housing Development Office and the Chief Executive Officer, CreateTO, to approve any lease, transfer and other property transactions for 2444 Eglinton Avenue East in accordance with CC21.3, as amended or revised by the updated approved business terms as described in Recommendation 1.
3. City Council authorize the Executive Director, Housing Development Office, to amend the existing municipal housing facility agreement (the “Contribution Agreement”) with Kennedy Green Non-Profit Cooperative Inc. to permit the issuance of a provisional funding letter in an amount set out in Confidential Attachment 1 if funding is required with the City using existing approved capital budget funding to support the required funding, with the expectation that any required City funding would not be flowed until 2028.
4. City Council direct the Executive Director, Housing Development Office, in consultation with the Executive Director, Corporate Real Estate Management and the Chief Executive Officer, CreateTO, to evaluate the remaining parcel of land at 2444 Eglinton Avenue East, which had been intended to be sold under the Housing Now program, to determine the best

use of the lands to support housing development in Toronto, and to report back by the second quarter of 2026.

5. City Council direct that Confidential Attachment 1 remain confidential at this time as it relates to a proposed or pending disposition of property by the City and a position, plan, procedure, criteria or instruction to be applied to negotiations carried on or to be carried on by or on behalf of the Board of Directors of CreateTO and the City, and contains financial information, supplied in confidence to the City and CreateTO, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere with the contractual or other negotiations.
6. City Council authorize the public release of Confidential Attachment 1 to the motion (dated December 16, 2025) from the Executive Director, Housing Development Office at the discretion of the Deputy City Manager, Development and Growth Services.

December 16-18, 2025