

931 Yonge Street – Updated Business Case

Date: June 6, 2025

To: The Board of Directors of CreateTO

From: Chief Executive Officer

Wards: Ward 11 - University-Rosedale

REASON FOR CONFIDENTIAL INFORMATION

The confidential attachments to this report relate to (i) both a proposed or pending acquisition or disposition of property belonging to the City, and (ii) a plan 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.

SUMMARY

This report recommends the Board of Directors, CreateTO endorse the updated business case in support of a market offering for the city-owned site located at 931 Yonge Street (the “Site”).

At its meeting on May 21 and 22, 2025, City Council adopted [Item PH21.4: Toronto Builds: A Policy Framework to Build More Affordable Housing](#), which authorized advancing a market offering for 931 Yonge Street, 158 Borough Drive and Bloor-Kipling, Block 5, through a business case and market offering process. Endorsement of the business case by the Board of Directors, CreateTO, and senior City leadership is required prior to final approval of the business case and market offering. The business case was endorsed by the City’s senior leadership team at the Housing Development Executive Committee on May 16th subject to CreateTO Board approval.

931 Yonge Street is governed by the new Toronto Builds Policy Framework as set out in PH21.4. The updated business case meets all the requirements of the Toronto Builds Policy Framework.

The property is located at 931 Yonge Street in Ward 11 (University-Rosedale). It is bounded to the north by Aylmer Avenue, to the south by Baxter Street and by a public

lane way to the east. An existing office building currently houses Toronto Community Housing Corporation's (TCHC) head office. The TCHC offices will be relocated as part of ModernTO, the City's Workplace Modernization Program.

The development concept (refer to Attachment 1) consists of a 32-storey tower above a 5-storey base podium. The built form has been designed to maximize the opportunity for new market and affordable housing and includes approximately 250 residential units and a minimum of 100 square meters of non-residential space on the ground level. The current development statistics are outlined in Table 1.

Table 1: Development Statistics

| | |
|-------------------------------------|---|
| SITE AREA | 835 square meters (0.21 Acres) |
| RESIDENTIAL UNIT COUNT: | |
| Total Estimated Unit Count | 250 |
| Total Estimated Market Rental Units | 175 |
| Minimum Affordable Rental Units | 75 |
| BUILT FORM | Residential Uses: <ul style="list-style-type: none"> • 32-storey tower including a 5-storey base podium Non-Residential Uses: <ul style="list-style-type: none"> • At grade along Aylmer Avenue (minimum 100 square meters) |
| CITY BUILDING FEATURES | <ul style="list-style-type: none"> • Public realm improvements at grade along all frontages of the site |

The intent is to bring the Site to market in Q3 2025 through a real estate brokerage service and under the guidance of a fairness monitor, both of which have been secured through the CreateTO procurement process. Following the market offering process, CreateTO will report to the Board of Directors on the development partner selection prior to finalization of legal agreements.

RECOMMENDATIONS

The Chief Executive Officer, CreateTO recommends that the Board of Directors, CreateTO:

1. Endorse the updated business case for 931 Yonge Street, as presented in Confidential Attachment 1, and, subject to further approvals from relevant City Officials, direct the Chief Executive Officer, CreateTO to:

- a. release to market 931 Yonge Street, conditional on approval by relevant City authorities; and
 - b. retain the services of a fairness monitor to oversee and ensure an open, fair and transparent market offering process.
2. Direct the information in Confidential Attachments 1 and 2 to remain confidential in its entirety as it relates to a proposed or pending acquisition or disposition of property belonging to the City and a plan 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.

FINANCIAL IMPACT

Prior to re-development, the subject lands would be internally transferred from the Toronto Community Housing Corporation (TCHC) to the City of Toronto and the provincial portion of the Land Transfer Tax (LTT) would be applicable.

The estimated LTT is summarized in Confidential Attachment 1.

There is no additional financial impact to CreateTO arising from the recommendations in this report. Resources required to support this project are being allocated from the current staffing complement and are part of the approved operating budget.

EQUITY IMPACT STATEMENT

The HousingTO 2020-2030 Action Plan envisions a city in which all residents have equal opportunity to develop to their full potential. The HousingTO 2020-2030 Action Plan is also centred on a human rights-based approach to housing. This approach recognizes that housing is essential to the inherent dignity and well-being of a person and to building healthy, inclusive, and sustainable communities.

The HousingTO 2020-2030 Action Plan aimed at creating new affordable rental housing within mixed-income, transit rich, complete communities. Creating new affordable housing will increase the opportunity for structurally vulnerable and marginalized individuals, including Indigenous Peoples, Black people, people of colour, seniors, women, and members of the LGBTQ2S+ community to access safe, healthy, and adequate homes. More housing opportunities for essential workers and families will also be created through the initiatives like these.

Safe, secure, affordable housing is an important social determinant of health. It improves the social and economic status of individuals, families, and communities. Good quality, affordable housing is also the cornerstone of vibrant, healthy

neighbourhoods and supports the environmental and economic health of the city, region, and country.

DECISION HISTORY

At its meeting on May 21, 2025, City Council adopted 2025.PH21.4, Toronto Builds - A Policy Framework to Build More Affordable Rental Homes on Public Land. The report outlines a new policy framework for the delivery of affordable housing on public land which governs 931 Yonge Street.

<https://secure.toronto.ca/council/agenda-item.do?item=2025.PH21.4>

On October 9, 2024, City Council adopted, with amendments, Item TE16.31, Exclusion of Development located at 931 Yonge Street, from the Permit Parking Program.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.TE16.31>

On July 11, 2024, Planning and Housing Committee referred Item PH14.12, ModernTO - 931 Yonge Street, to City staff for further consideration and requested City staff to report back to Planning and Housing Committee before the end of 2024.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH14.12>

On June 26 and 27, 2024, City Council adopted Item PH13.8 - Launching the Rental Housing Supply Program, approving a new program to provide City funding and/or incentives to eligible affordable rental and rent-controlled projects.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.PH13.8>

On April 6, 2024, the Board of Directors, CreateTO adopted [RA12.3](#) ModernTO – 931 Yonge Street, approving a market offering for 931 Yonge Street based on a long-term land lease basis and to prioritize the creation of affordable rental housing as per the general direction contained in [EX9.3](#).

<https://secure.toronto.ca/council/agenda-item.do?item=2024.RA12.3>

On April 17 and 18, 2024, City Council adopted Item TE12.6, 931 Yonge Street - Zoning By-law Amendment Application - Decision Report - Approval, with By-law ratification on May 14, 2024.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.TE12.6>

At its meeting of December 13, 2023, City Council adopted Item EX10.2 (Advancing Generational Transformation of Toronto's Housing System - Aligning Housing Mandates and Strategic Efforts). The adopted recommendations include a request to the Board of Directors of CreateTO to leverage City lands and partnerships to facilitate the creation of complete communities and to prioritize the delivery of a range of new purpose-built rental homes including new rent-geared-to-income, affordable and market rent-controlled homes, to support the delivery of Toronto's housing plans and targets.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX10.2>

On November 8, 2023, City Council adopted Item EX9.3, Generational Transformation of Toronto's Housing System to Urgently Build More Affordable Homes. The report outlines several recommended actions, and highlights initiatives underway which will make generational change to transform and strengthen Toronto's housing system and expedite delivery of the Housing TO and Housing Action Plan targets.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX9.3>

At its meeting of September 6, 2023, City Council adopted Item EX7.2 (Urgently Building More Affordable Homes), directing the City Manager, in consultation with the Deputy City Manager, Development and Growth Services, to work with all agencies, boards, corporations and divisions at the City of Toronto to create a plan and an implementation framework and timeline to achieve 25,000 new rent-controlled homes. The new targets identified in Item EX7.2 amend and increase the City's previous HousingTO 2020-2030 Action Plan (HousingTO Plan) target of approving 40,000 affordable rental homes by 2030.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EX7.2>

At its meeting on November 3, 2022, CreateTO, reported back to its Board on November 18, 2022 with an update on the ModernTO properties to be unlocked in the short-term including 931 Yonge Street.

<https://www.toronto.ca/legdocs/mmis/2023/ra/bgrd/backgroundfile-229905.pdf>

At its meeting of April 6 and 7, 2022, City Council adopted Item EX31.10, ModernTO: Unlocking Eight City-Owned Properties, which provided an outline on the recommended portfolio strategy that optimizes city-building opportunities on eight City-owned properties included in the ModernTO program, including 931 Yonge Street.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EX31.10>

At its meeting on March 7, 2022, the CreateTO Board adopted RA29.1 "ModernTO: Unlocking Eight City-Owned Properties" which provided an outlined of the recommended portfolio strategy that optimizes city-building opportunities on eight City owned properties included in the ModernTO program, including the property at 931 Yonge Street, which decision was forwarded to the Executive Committee and City Council as EX31.10 "ModernTO: Unlocking Eight City Owned Properties".

<https://secure.toronto.ca/council/agenda-item.do?item=2022.RA29.1>

At its meeting on October 9 and 10, 2021, City Council adopted EX27.4 "City-wide Real Estate - Next Phase of Implementation" which included a City Council direction on the implementation of a strategic investments policy.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX27.4>

At its meeting on November 3, 2020, Executive Committee adopted EX18.2 "ModernTO Workplace Modernization Program Business Case and Implementation Plan" which provided an update regarding the implementation of the ModernTO program originally adopted by City Council in 2019, including more aggressive targets for overall space reduction staff mobility ratios.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX18.2>

At its meeting on October 29 and 30, 2019 City Council adopted EX9.2 “ModernTO – City-Wide Real Estate Strategy and Office Portfolio Optimization” which directed the Deputy City Manager, Corporate Services to report back with a detailed business case and an execution plan for completing office optimization in primary office buildings and city-building opportunities to be pursued for eight properties unlocked through portfolio consolidation.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX9.2>

At its meeting on May 14, 2018, Executive Committee adopted a staff report entitled “Optimizing the City-Wide Office Portfolio” and endorsed key directions to modernize and find efficiencies in the City-wide office portfolio.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2018.EX34.4>

COMMENTS

Updated Business Case Preparation Process

This report recommends the CreateTO Board of Directors endorse the business case in support of a market offering for 931 Yonge Street (the “Site”).

A market offering for the Site was previously considered and approved at the June 19, 2024, meeting of the Board of Directors. However, as the City considered a revision to the affordable housing policy framework, the market offering for the Site was not issued.

On May 21, 2025, Council adopted [PH21.4](#), Toronto Builds - A Policy Framework to Build More Affordable Rental Homes on Public Land. Under the new Toronto Builds Policy Framework, 931 Yonge Street is identified to be released to the market subject to the Board of Directors, CreateTO’s approval of the business case and Council approval as delegated to the City’s senior leadership team. The attached business case and transaction terms meet all the requirements of the Toronto Builds Policy Framework and the business case was endorsed by the City’s senior leadership team at the Housing Development Executive Committee on May 16th.

Summary of Development Concept

The development concept (refer to Attachment 1) consists of a 32-storey tower including a 5-storey base podium. The built form has been designed to maximize the opportunity for new market and affordable housing and includes approximately 250 residential units and up to 150 square meters of non-residential space on the ground level.

While the existing building is elevated, the ground floor of the proposed building will be flush with the public sidewalk on all frontages to improve accessibility and ensure the proposed lobby entrance and non-residential space contribute to the animation of the public realm both along Yonge Street and Aylmer Avenue. The proposed design will

improve the pedestrian environment on the north and west frontages. Landscape features along the north frontage are proposed and will be designed to relate to the green space directly north at Budd Sugarman Park. Built form impacts on the surrounding public realm, parklands and natural landscapes have been minimized.

The proposed massing has been designed to fit within the local context, to limit the impacts of the built form on adjacent uses and appropriately intensify a site within the Downtown that has excellent access to existing transit, retail and community infrastructure.

The Proposal provides for a more contemporary built form and massing than the current building, improves the current relationship to the public realm and provides an effective transition from the tall buildings centered at Bloor Street.

The proposed development will improve the Aylmer Avenue and Yonge Street frontages to provide a pleasant and generous pedestrian environment. There is a landscaped edge along the Aylmer frontage that relates to the parkland to the north and the ravine to the east. There are proposed public realm and landscape improvements adjacent to the Yonge Street TTC bus stop which are to include new hard and softscape elements. The Yonge Street frontage will feature a consolidated bicycle storage area, and the entrance to the non-residential space will be enhanced with outdoor seating that wraps around to the Aylmer Avenue frontage. The additional setback provided at the northwest corner will accommodate potential spill out from the non-residential space, to increase programming flexibility.

Bicycle and Vehicle Parking

The proposal includes a total of two (2) parking spaces, one (1) accessible and one (1) visitor parking space provided at-grade, and a total of 280 bicycle parking spaces located below grade and on the ground floor level along the Yonge Street and Aylmer Street frontages. Pedestrian access to the residential lobby and non-residential space is provided via Yonge Street.

Office Replacement

The existing TCHC office use is being accommodated in other City properties through ModernTO, the City's Workplace Office Modernization program, along with new office and employment uses proposed to be constructed on other sites within the ModernTO portfolio to ensure office replacement allows for long-term employment growth in the core of the city.

Planning Approvals

The final Official Plan and Zoning By-law Amendment for 931 Yonge Street was adopted by City Council on Apr 18, 2024. No appeals were made, and the By-law was final and binding on May 14, 2024.

Community Engagement

A community consultation meeting was hosted on March 22, 2023. Approximately 87 people participated. Following a presentation by City and CreateTO staff, the following comments and issues were raised:

- Support for intensification of the site given the proximity of the subway line;
- Concern about potential shadow impacts;
- Concern over viability of affordable ownership model;
- Lack of short-term parking on-site;
- Lack of outdoor amenities and tree planting;
- Concern over the collective impact of multiple developments along Yonge Street.
- Congestion during rush hour; and
- Retail space at grade to provide active street frontages and deliver services for residents.

The issues raised through community consultation were considered through the review of this application by City Planning.

City Building Features

The development of the Site will deliver a variety of city-building components alongside the affordable housing units which include:

- A commitment to Toronto Green Standard V4 Tier 2, and a minimum 25% decrease in energy consumption and Greenhouse Gas emissions over the most recent national building and energy codes;
- Consideration for the City's Growing Up Urban Design Guidelines for residential market units;
- A commitment to workforce development and social procurement through the Community Benefits Framework;
- A three-metre pedestrian clearway easement along Yonge St, to ease pedestrian congestion during rush hour; and
- Non-residential space at grade to provide active street frontages and deliver services for residents.

The selected development partner and term sheet reflecting the development partner's commitments will be presented to the Board and to the appropriate City staff for approval prior to final award.

Proceeding with Market Offering through a Selected Broker

A commercial broker has been retained by CreateTO through a competitive procurement process to issue a market offering. The selected broker will market the site to the development industry and non-profit sector under the direction of a fairness monitor to ensure an open, fair, and transparent process. The expectation is that there will be an extended bid period for the market offering over the summer months to accommodate expected industry vacation schedules and absences. The market offering

is expected to be released at the end of June and close early October. The proposed development timeline can be found in Attachment 1.

A development partner will be selected through this market offering process.

The Evaluation Committee will consist of staff from CreateTO and the Housing Secretariat. Criteria for selection will include:

1. Experience in developing and operating rental housing;
2. Proposed number of rental housing units, affordable rental housing units and depth of affordability;
3. Proposed financial and funding plan;
4. Demonstrated ability to execute and complete the project on schedule; and
5. Commitment to city-building components including but not limited to exceeding minimum requirements on energy and carbon targets, and commitments required under the Community Benefits Framework obligation including proponent-proposed, minimum targets. A target of 10% of total hiring or equivalent number of community benefits hires, 10% annual procurement target for local business and achieve a 5% diverse suppliers, annual procurement target for supply chain diversity, including social enterprises.

The selected development partner and term sheet reflecting the development partner's commitments will be presented to the Board and to the delegated City senior leadership for approval prior to final award.

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SIGNATURE

Vic Gupta
Chief Executive Officer

ATTACHMENTS

Attachment 1: 931 Yonge Street – Development Concept and Renderings

Attachment 2: 931 Yonge Street – Development Timelines
Confidential Attachment 1: 931 Yonge Street – Business Case Summary
Confidential Attachment 2: 931 Yonge Street – Proposed Transaction Terms

ATTACHMENT 1: 931 YONGE STREET – DEVELOPMENT CONCEPT AND RENDERINGS



Figure 1A: Rendering of 931 Yonge Street, looking northeast from Yonge Street

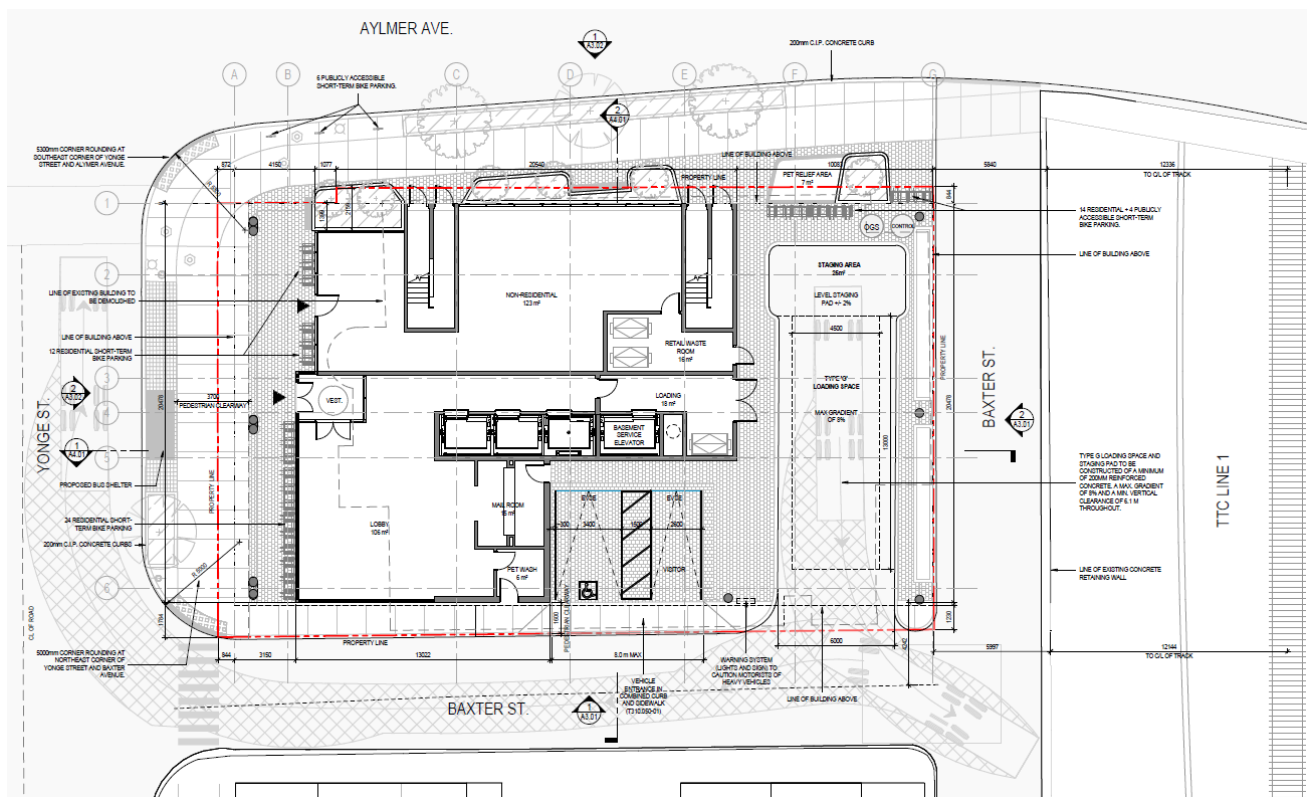


Figure 2A: 931 Yonge Street Ground Floor Plan

ATTACHMENT 2: 931 YONGE STREET - DEVELOPMENT TIMELINES

| Timeline | | | | | | |
|--------------|--------------------|---------------|-----------------|--|-----------------------|--------------------|
| Site | Planning Approvals | Business Case | Market Offering | Proponent Selection and Execution of Legal Documents | Site Plan Application | Construction Start |
| 931 Yonge St | Q2 2024 | Q2 2025 | Q3 2025 | Q4 2025 | Q3 2026 | Q2 2027 |

Note: The proposed timelines to start of construction assumes an experienced proponent who can expeditiously advance planning approvals (site plan drawings and NOAC), following approval of proponent selection; and prepare, submit, and secure CMHC financing applications and approvals. Alternatively, a typical timeline would have construction commencing in Q3/Q4 2027.