

## **Housing Benchmark Report: Affordable Housing Development and Construction Costs on City-owned Sites and Comparable Sites Across Canada**

**Date:** May 29, 2026

**To:** Board of Directors, CreateTO

**From:** Chief Executive Officer

**Wards:** All

### **REASON FOR CONFIDENTIAL INFORMATION**

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The attachment to this report is about 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 contains commercial and financial information supplied in confidence to the Board of Directors of CreateTO, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

### **SUMMARY**

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On January 26, 2026, the Board of Directors, CreateTO directed the Chief Executive Officer, CreateTO to develop a report (“Housing Benchmark Report”) comparing affordable housing development and construction costs in Toronto and at comparable sites across major urban areas in Canada. The purpose of establishing the Housing Benchmark Report is to support the City with effective decision-making regarding various building technologies for affordable housing projects.

This report includes:

- A dataset on development and construction costs for City-led affordable housing projects (the “City-led Housing Dataset”) (Confidential Attachment 1), and
- A recommended scope of work (Attachment 1) to procure a cost consultant through a Request for Proposal (“RFP”) to provide information from various affordable housing developments in Toronto and comparable major urban areas across Canada.

The Board's endorsement of the proposed scope of work for the RFP to retain a cost consultant is requested to ensure alignment with the Board's expectations of outcomes in the new Housing Benchmark Report.

## **RECOMMENDATIONS**

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The Chief Executive Officer, CreateTO recommends that:

1. The Board of Directors, CreateTO endorse the scope of work for a Request for Proposal as provided in Attachment 1, subject to such changes and amendments as the Chief Executive Officer, CreateTO considers necessary.
2. The Board of Directors, CreateTO direct that the confidential information contained in Confidential Attachment 1 remain confidential in its entirety, as it is about 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 contains commercial and financial information supplied in confidence to the Board of Directors of CreateTO, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

## **FINANCIAL IMPACT**

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The estimated costs associated with the procurement of the cost consultant is estimated to be between \$15,000 and up to \$50,000. Management will work to absorb the costs within the current CreateTO budget and will advise if a budget adjustment is required. There is a potential that the costs cannot be absorbed and will result in an overbudget.

## **DECISION HISTORY**

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At its meeting on January 26, 2026, the Board of Directors adopted, with amendments, Item 2026.RA23.5 – Housing Progress Update and Bloor-Kipling Block 5 (970 Kipling Avenue) Update. In doing so, the Board requested staff to report to the June 12, 2026 meeting with information comparing various affordable housing development and construction costs in Toronto and at comparable sites across major urban areas in Canada. The Board requested that this report include costs and government contribution details, as well as identification of building technology and ratings for green technology.

<https://secure.toronto.ca/council/agenda-item.do?item=2026.RA23.5>

## COMMENTS

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Following the Board’s direction to develop a Housing Benchmark Report, CreateTO staff engaged with the City’s Housing Development Office (“HDO”), Housing Secretariat Division (“HS”), and Toronto Community Housing Corporation (“TCHC”) to create a dataset of development and construction costs for City-led projects, as outlined in Confidential Attachment 1. Projects listed in Confidential Attachment 1 have been anonymized as the analysis is intended to focus on aggregated cost trends and comparative insights across the dataset, rather than project-specific details.

### Collection of Data for City-led Housing Projects – Portfolio Context

The data in Table 1 provides an overview of 24 City-led affordable housing projects where sufficient information is available to report on data requested for the Housing Benchmark Report, including:

- Affordable Housing Development Project Costs (actuals or estimates);
- Government Contributions;
- Unit and Bedroom Counts;
- Identification of Building Technology (e.g. wood frame, concrete, mass timber, modular or panelized construction), and
- Ratings for Green Technology (as available).

**Table 1:** Overview of City-led Affordable Housing Projects with sufficient costing and project information to report (profiled in Confidential Attachment 1)

<b>Total Projects</b>	<b>24</b>
<i>Projects led by CreateTO</i>	7
<i>Projects led by TCHC</i>	5
<i>Projects led by City</i>	12
<b>Project Status</b>	<b>24</b>
<i>Pre-Construction</i>	3
<i>Under Construction</i>	12*
<i>Complete</i>	9
<b>Construction Technology</b>	<b>24</b>
<i>Concrete</i>	13
<i>Wood-frame</i>	1

<i>Modular</i>	7
<i>Mass Timber</i>	3

*\*The Toronto Builds Report (2026.PH30.6) identifies 13 projects under construction; however, the City-led Housing Dataset excludes one TCHC project, as it only includes projects with Board and City Council authority from 2019 onward.*

As per information outlined in [2026.PH30.6 – Building Toronto’s Housing Future: Housing Development Office 2026 Annual Toronto Builds Update](#) (the “Toronto Builds Report”), there are 83 sites in the City-led portfolio, 13 of which are currently under construction (the remaining 70 are in the three-year workplan for 2026, 2027, and 2028+). As projects progress and information becomes available for these pipeline projects, CreateTO can work with the HDO, HS and TCHC to update the City-led Housing Dataset in Confidential Attachment 1. At the time of this report, there are 24 projects with sufficient information available.

## Key Findings from Data for the Housing Benchmark Report

### **Limitations Comparing Project Costs**

City-led projects profiled in Confidential Attachment 1 have employed a range of building technologies, including conventional high-rise concrete buildings, low-rise mass timber structures and modular low-rise developments. Variability in development and construction costs, as well as the selection of construction methods, is influenced by differences in:

- Site-specific constraints;
- Project scale;
- Affordability and unit size requirements;
- Sustainability targets;
- Timeframes for when costs were incurred (inflationary impacts);
- Technical complexity, and
- Market conditions at the time of project delivery.

### **Limited Sample Size**

The dataset shows that more than half of the City-led projects are delivering high-rise and mid-rise scale buildings using conventional concrete construction for delivery. Low-rise buildings have used a mix of wood frame, mass timber and modular building materials for delivery. The limited sample size does not provide enough information to establish conclusions regarding general performance.

### **Varying Government Contributions**

City and other government contributions were determined on a project-by-project basis based on the unique attributes and context for each project. Contributions outlined in Confidential Attachment 1 include varying degrees of equity investment depending on the specific delivery model, capital grants and loans from the federal government,

alongside City cash contributions, affordable housing development charge waivers, permit fees waivers, community benefit charge waivers, parkland cash-in-lieu waivers, and affordable housing property tax waivers to facilitate these developments. City contribution amounts are determined by the Housing Secretariat and Housing Development Office with relevant Council approvals.

### ***Different Time Periods and Market Conditions***

The dataset reflects historical project costs from different time periods. Some projects completed construction over five years ago, while others have not yet started construction. As a result, per-unit cost comparisons are limited, particularly given the substantial rise in construction costs in the City of Toronto between 2020 and 2025. The projects reviewed were also limited to City-led projects with sufficient information to meet the Board's reporting requirements. As a result, the data does not reflect current market conditions, provide a basis for evaluating the performance of a building technology type, nor should it set expectations for future construction costs.

### **Comparable Developments: Industry and National Jurisdictional Survey**

CreateTO staff have determined that access to information for non-City-led projects delivering affordable housing across Toronto and other urban areas in Canada is limited. To acquire information that is reliably sourced, statistically meaningful, and geographically diverse requires market expertise and access to information that is not publicly or readily available. An RFP for a cost consultant is recommended to:

- 1) Identify a material sample size of affordable housing projects in Toronto and major urban areas in Canada with sufficient information to inform the Housing Benchmark Report (e.g. unit counts, bedrooms, government contributions);
- 2) Identify projects with a range of building technologies used (including modern methods of construction);
- 3) Obtain access to cost and government contribution information that is generally considered proprietary and confidential in nature;
- 4) Advise on benefits and trade-offs with using various building technology as it relates to project cost, speed of delivery, and sustainability; and
- 5) Other requirements as outlined in the scope of work.

The proposed scope of work for the RFP is included in Attachment 1.

## **CONTACT**

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## **SIGNATURE**

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Vic Gupta  
Chief Executive Officer

## **ATTACHMENTS**

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Attachment 1: Recommended Scope of Work for Cost Consultant RFP  
Confidential Attachment 1: Affordable Housing Development and Construction Costs on City-owned Sites