

Rethinking Surplus Land: Three Decades of Municipal Land Sales in the City of Toronto

Speaker:

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Land Acknowledgement

We wish to acknowledge this land on which the University of Toronto operates. For thousands of years it has been the traditional lands of the Huron-Wendat, the Seneca, and most recently, the Mississaugas of the Credit. Today, this meeting place is still the home to many Indigenous people from across Turtle Island and we are grateful to have the opportunity to work on this land.

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Rethinking Surplus Land: Three Decades of Municipal Land Sales in the City of Toronto

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du Canada



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Three Main Questions

1. How much municipal land was sold (and to whom and when) between 1998 and 2023?
2. What are the current land uses of land sold in that time?
3. How do outcomes reflect broader policy trends?

Hypothesis and Theorization

1. A regime of land privatization emerged in the wake of the federal government getting out of affordable housing policy (1993)

- No housing policy
- Rendered many ageing real estate assets “surplus” to needs of government

2. Developable surplus sites have been repurposed by private sector towards a new housing political economic regime (condo-ism)

- Condominium development being a significant outcome



Public Land

What do I mean by "public land"?

Publicly-Owned 'REAL PROPERTY'

- 11% of land in Canada, mostly urban
- Privately held fee simple land
 - Governments and public institutions have portfolios of real property in addition to crown land

I do not mean **CROWN LAND!**

- Crown land cannot be sold,
 - held in trust by monarchy
- 89% of land in Canada
 - 41% federal domain
 - 48% provincial domain

This study concerns public land in the form of "REAL PROPERTY"

Average asking rent prices reach \$2,193 in February, up 10.5% from 2023

The report says asking rents in Canada have increased overall by a total of 21 per cent, or an average of \$384 per month, from two years ago, just before the start of interest rate hikes by the Bank of Canada.

© Updated March 11, 2024 at 1:40 p.m. | March 11, 2024 | ⌚ 1 min read | 📌 📄 💬



“The report says asking rents in Canada have increased overall by a total of 21 percent, or an average of \$384 per month, from two years ago, just before the start of interest rate hikes by the Bank of Canada” (Toronto Star, 2024)

Introduction

Mayor John Tory wants to “open doors” for new affordable housing

The plot of land at 200 Madison Ave. has been vacant for 10 years. Mayor John Tory says the city can create better conditions to build there and across the city.

April 28, 2015 | 2 min read



(Toronto Star, 2015)

Open Door Program

Approved in 2016

Introduced in wake of Fed/Prov governments backing out of funding certain affordable housing projects

Later mobilized towards goals of HousingTO 2020-2030

“Financial contributions including capital funding and fees and property tax relief, fast-tracking planning approvals, **and activating surplus public land**” (City of Toronto, 2024)

Introduction



CREATE TO

Housing Now

Announced: Dec 2019

**Target: 10,000
affordable units**

Learn more and access information about Housing Now sites on CreateTO's website.

[Learn More](#)

Housing Now uses City-owned land to develop affordable housing. Housing Now aims to create housing that is close to transit, includes a variety of services, and is affordable to households with a range of incomes.

Housing Now is part of the City's [HousingTO 2020-2030 Action Plan](#), Toronto's overall strategy to address a range of housing needs.

Since Housing Now began in January 2019 the City has included [22 properties](#) across Toronto. These properties are estimated to produce over 15,000 new homes with over 5,000 being affordable rental homes.

Housing Now currently has development approvals for 10 properties. Construction began on the first property in August 2023.

You can review information on specific Housing Now locations by visiting [CreateTO's Housing Now](#) page.

Elected: Summer 2023

Target: Additional
25,000 rent-geared-to-
income rental units

Introduction

Toronto exploring school land sales to address housing crisis

Mayor Chow wants changes that would make surplus school lands less expensive



Shawn Jeffords · CBC News · Posted: Apr 16, 2024 4:00 AM EDT | Last Updated: April 16



NEWS



HOUSING YOU CAN AFFORD

Olivia's plan to build 25,000
rent-controlled homes over 8 years.

Mayor Olivia Chow's executive committee is asking the provincial government to change a key rule that governs the sale of surplus school board land, hoping to make the purchases more affordable. Chow would like

"Why are we selling public land in the middle of housing crisis?" she said. "We should be using public land to build housing, community centres and community spaces." – Mayor Olivia Chow

Federal land could be used for housing to bring down costs, minister Sean Fraser says

RACHELLE YOUNGLAI > REAL ESTATE REPORTER

ERIN ANDERSSON >

PUBLISHED FEBRUARY 12, 2024

UPDATED FEBRUARY 13, 2024

THE GLOBE AND MAIL 

Introduction



“It’s a potential shift in strategy for Ottawa to consider building homes on existing federal properties. For decades, the government has waited for federal departments to deem land as surplus, and then sold it for profit.”

Introduction

Provincial Affordable Housing Lands Program



Use surplus public lands 'more aggressively' to create affordable housing, researcher says

CBC

Updated April 29, 2019



A Ryerson University researcher is calling on governments in Ontario to be more aggressive in using surplus public land to boost the supply of affordable housing.

Diana Petramala, is a co-author of a new report, "Governments in Ontario Making Headway in Using Surplus Lands for Housing."

Petramala spoke to CBC Toronto on Monday, the same day the province announced the sale of a parcel of land in downtown Toronto partly for the construction of affordable housing.



Introduction

GTA

Province wants to speed sale of 243 surplus properties



By **Tess Kalinowski** Real Estate Reporter

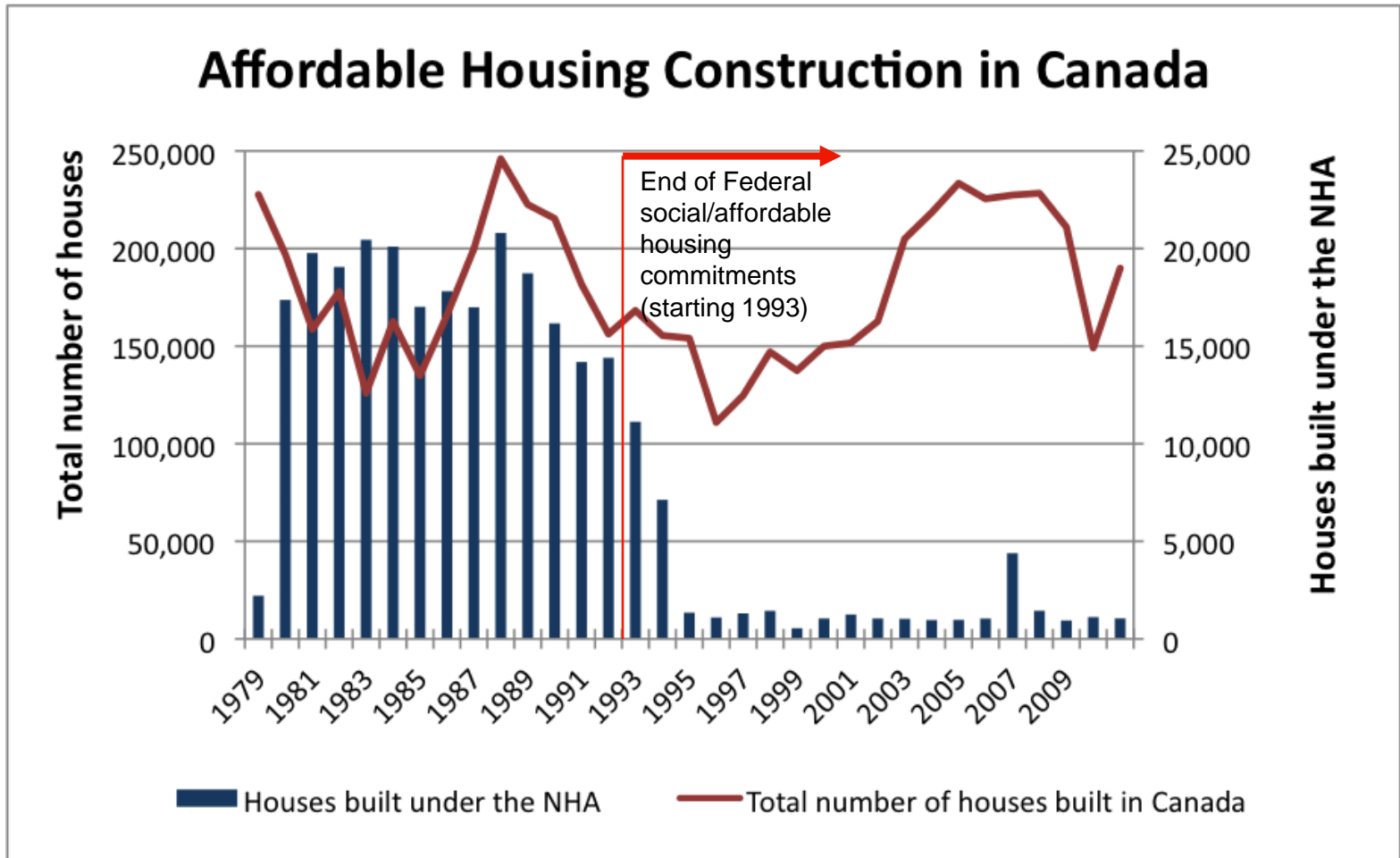
▲ Tue., Dec. 4, 2018 | ⌚ 3 min. read



“The Ontario government is expediting the sell-off of 243 surplus government properties on 14,600 acres to raise between \$105 million and \$135 million in the next four years.” (Toronto Star, 2018)

Since, 2018, the Province has sold just over 9,000 acres across Ontario, and approximately 300 acres in Toronto itself. (Infrastructure Ontario, 2023)

Introduction

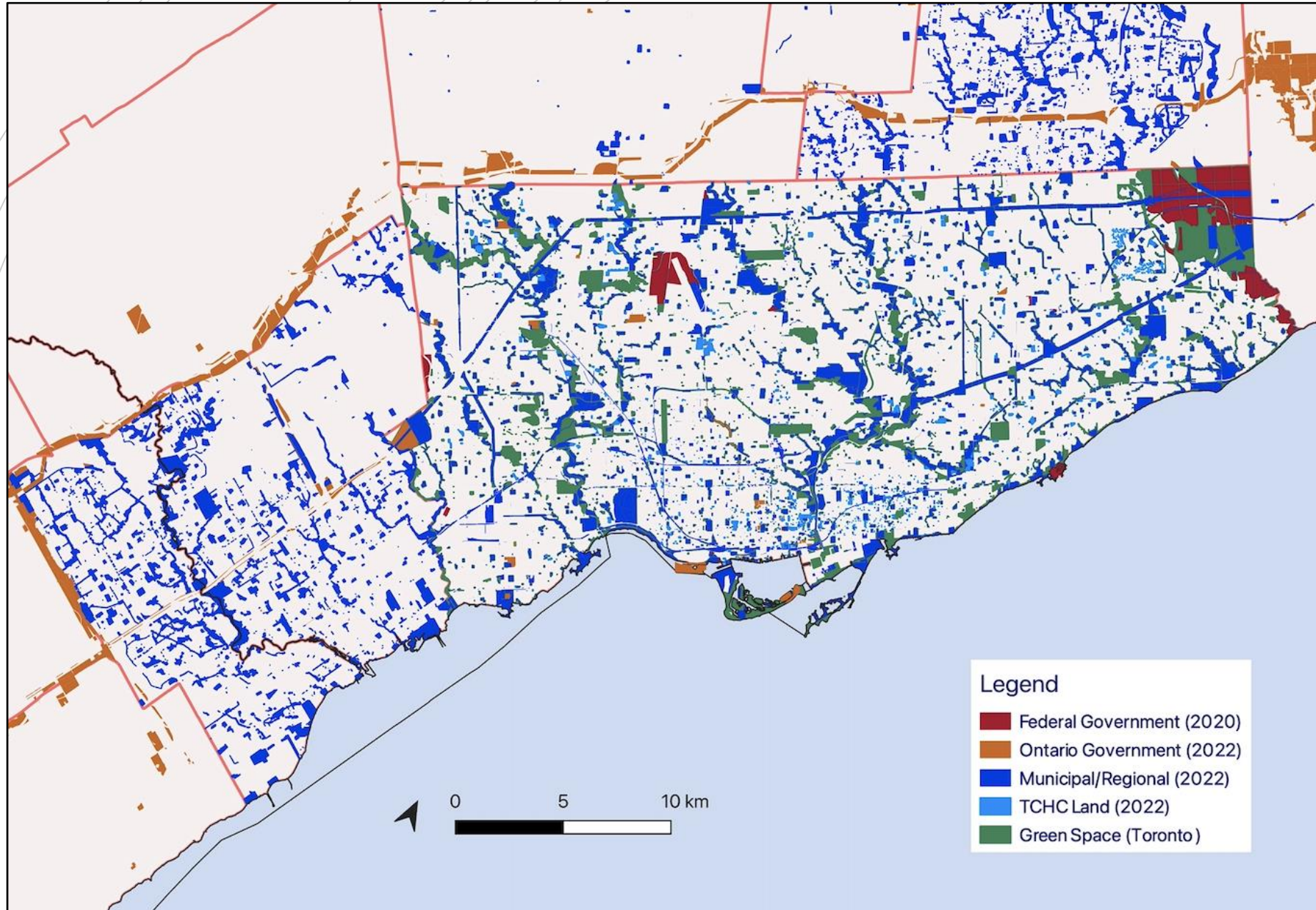


Source: Michael Shapcott, Wellesley Institute
<https://policyfix.ca/2011/10/07/where-has-all-the-affordable-housing-construction-gone/>

Publicly Owned Land in the GTA (2022)

Sources:
Infrastructure Ontario (2022);
City of Toronto (2022); Federal Government (2020); TCHC (2022); City of Mississauga (2022); City of Markham (2022)

Map compiled and designed by Sean Grisdale.



Government Real Estate Agencies

Federal

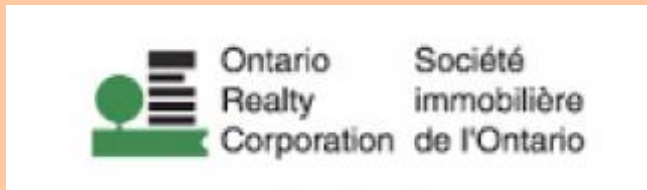


Canada Lands Company
Société immobilière du Canada

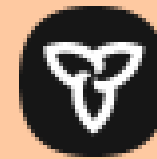
1956/1981/1995–Today

Provincial

1993 - Merged with IO 2011



2011–Today



Infrastructure
Ontario

Municipal

2009–Merged into CreateTO 2018



1986–Today



2018–Today



Geography Literature on Land Privatization

Financialization, Rentierism, and Land

■ Financialization and Rentierism

- Post-industrial, neoliberal transition in which profits increasingly accrue through financial channels (rent, interest) as opposed to commodity production (Krippner, 2005; Aalbers, 2016)
 - Empowerment of rentiers over levers of governance (Ward and Swyngedouw, 2018; Christophers, 2022)
- Land increasingly treated as a financial asset (regarded primarily for its exchange value) (Haila, 2016; Hyötyläinen and Beauregard, 2022)

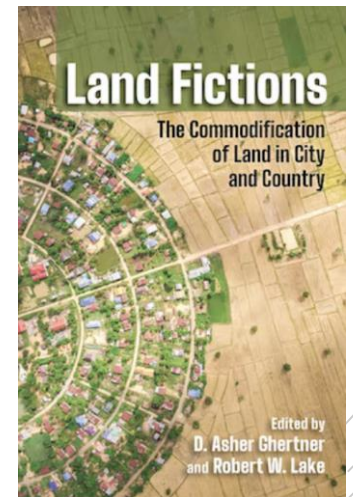
■ Financialization and Privatization

- One role of state under financialization is to subsidize and steward financialization through privatization of land (Christophers, 2017, 2018; Whiteside, 2018)
- **BUT** state does not itself treat land as a financial asset
 - Deeming land “surplus” depends on development of discursive rhetoric around its “use value”
 - i.e. as no longer useful in public ownership (Christophers, 2017)

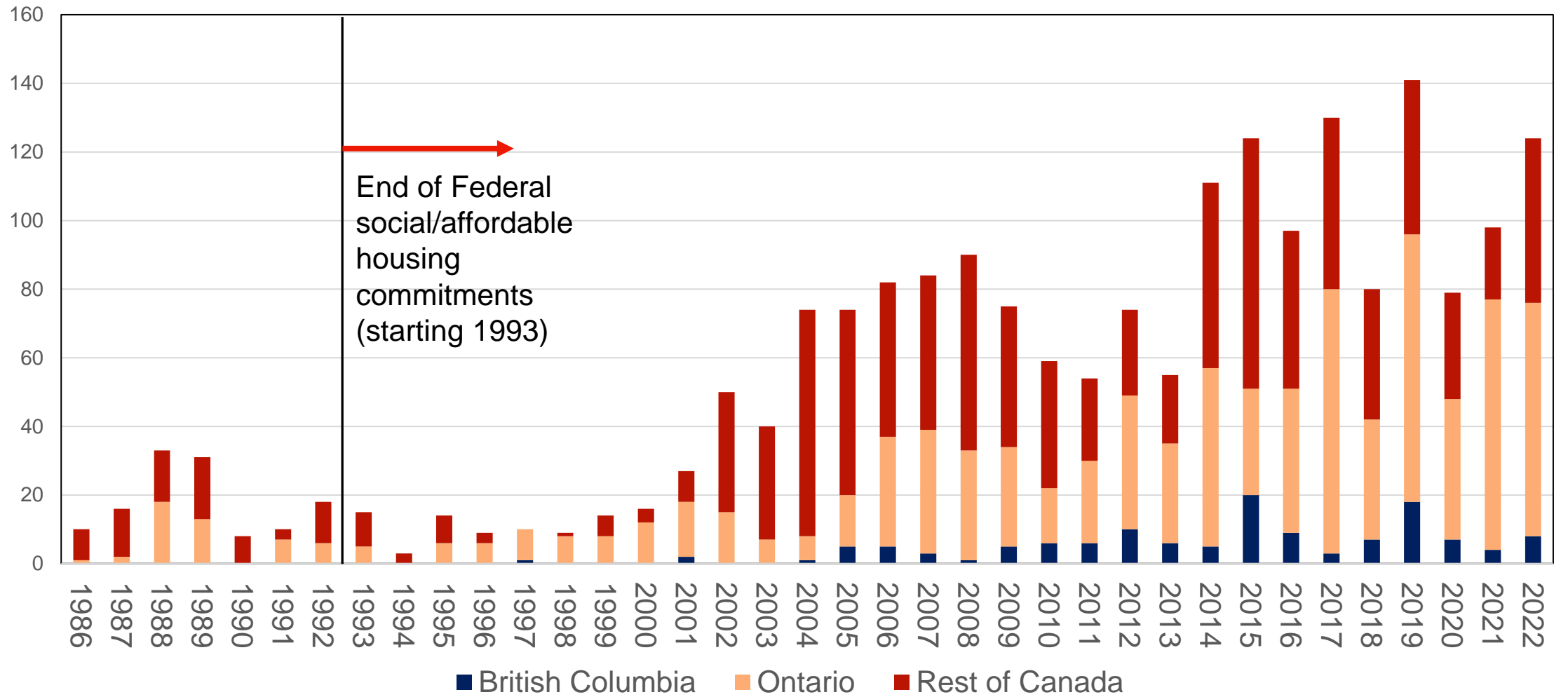
Geography Literature on Land Privatization

Privatization and Surplus Land

- **Institutionalization of Land Privatization via Public Agencies**
 - Project of investigating and explaining the roles played by Canadian “government departments and agencies in managing public land and public real estate so as to support its privatization” (Whiteside, 2020, p. 2).
- **Land Fictions**
 - “Land Fictions” (Christophers and Whiteside, 2021)
 - Refers to narratives legitimizing land privatization
 - Idea of land being “surplus” mobilized to justify commodification
 - Public land = bad and unproductive
 - Private land = good and productive



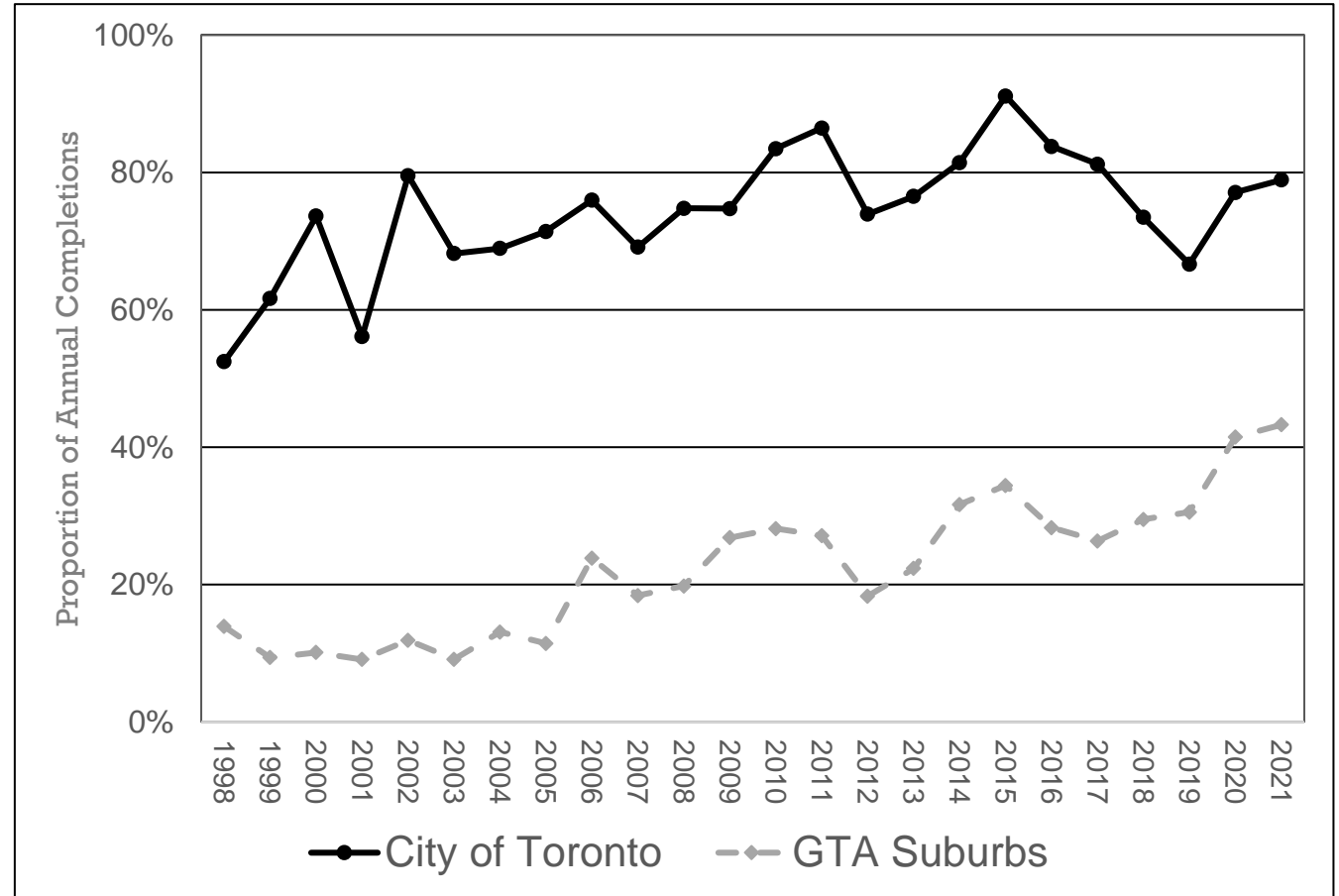
Instances of Term "Surplus Land" in Canadian News Media between 1986 and 2022



Source: Factiva, compiled by Sean Grisdale

Toronto's Changing Housing Mix

Annual Proportion of New Build Housing Completions in Condo Tenure in the GTA, 1998-2021



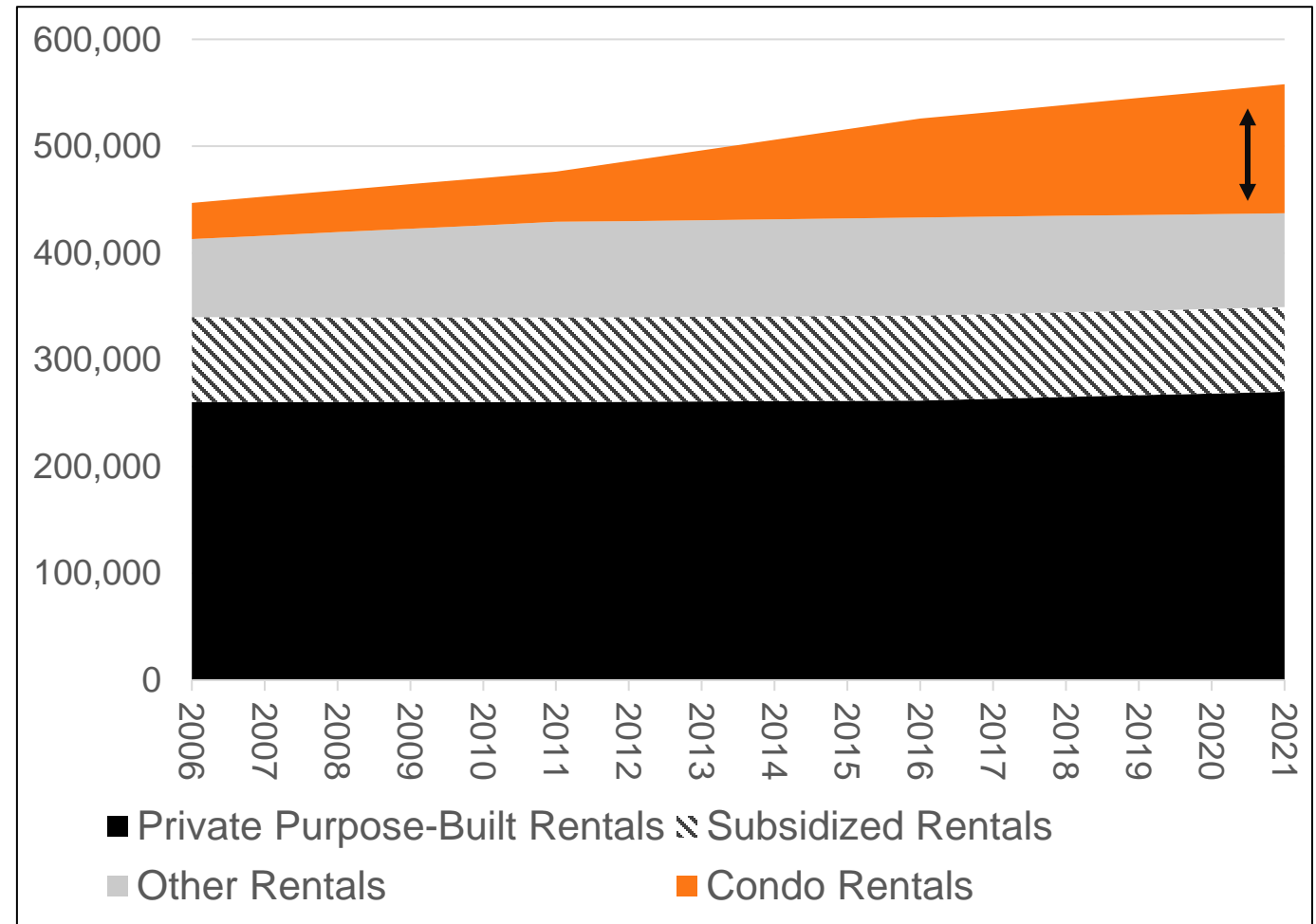
77% of new build housing completions in Toronto (1998–2021) were condos

Grisdale and Walks (2022)

Source: CMHC, compiled by Sean Grisdale

Toronto's Changing Rental Housing Mix

Change in Rental Housing Mix in the City of Toronto, 2006–2021



78% of net new rental stock is in the form of condominium rentals. 13% in rented single family homes, duplexes, etc.

Source: CMHC, compiled by Sean Grisdale

Geography Literature on Land Privatization

Condoism and Condo-fication



- **The Rise of the Condominium in Canada (Harris, 2011)**
 - “A form of land ownership that combines private ownership of an individual unit in a multi-unit building with an undivided share of the common property in the building and a right to participate in the collective governance of the private and common property.” (Harris, p. 694).
 - Enables vertical subdivision of land (ie. realization of “highest and best use”)
 - Pre-Sale financing less risky for lenders
- **Condo-ism (Rosen and Walks, 2015)**
 - A regime of urban development now associated with post-industrial, “Third Wave” (Scott, 2011), neoliberal city
- **Condo-fication (Lehrer and Wieditz, 2009; Grisdale and Walks, 2021)**
 - New build gentrification (cultural and economic) of inner-city through condominium development



Condoism as Development Regime

Dominant Development Regime of Toronto since the 1990s

The emergence of “condo-ism” driven by the combined influences of:

1. Regional planning policy

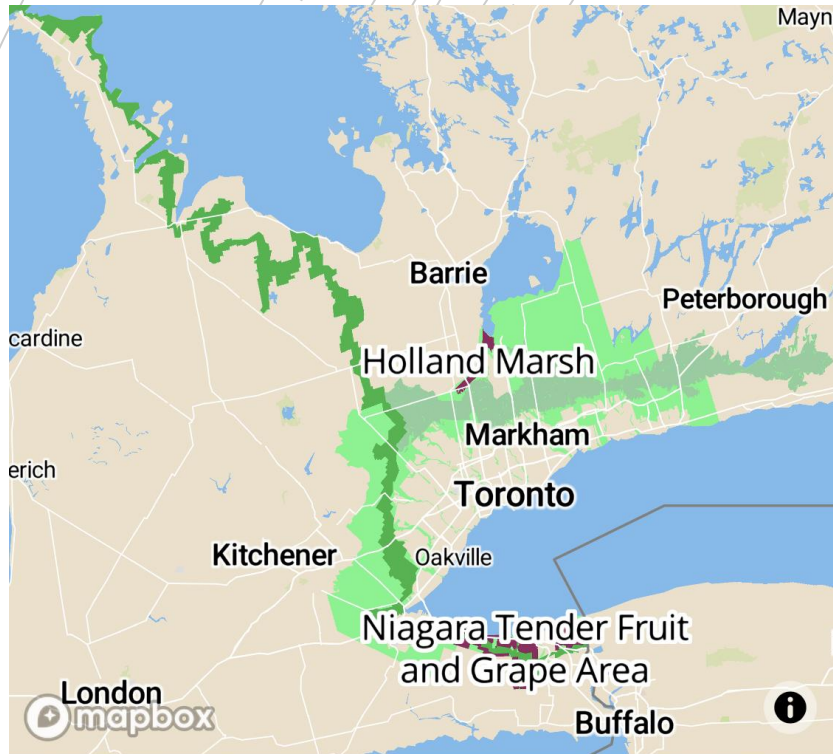
- E.g., Greenbelt policies and the shift towards intensification in Toronto

2. Neoliberalization

- Homeownership has replaced the welfare state as a means of security in old age (Doling and Ronald, 2010)
 - Disincentivizes/neglects rental housing and renters

3. Financialization

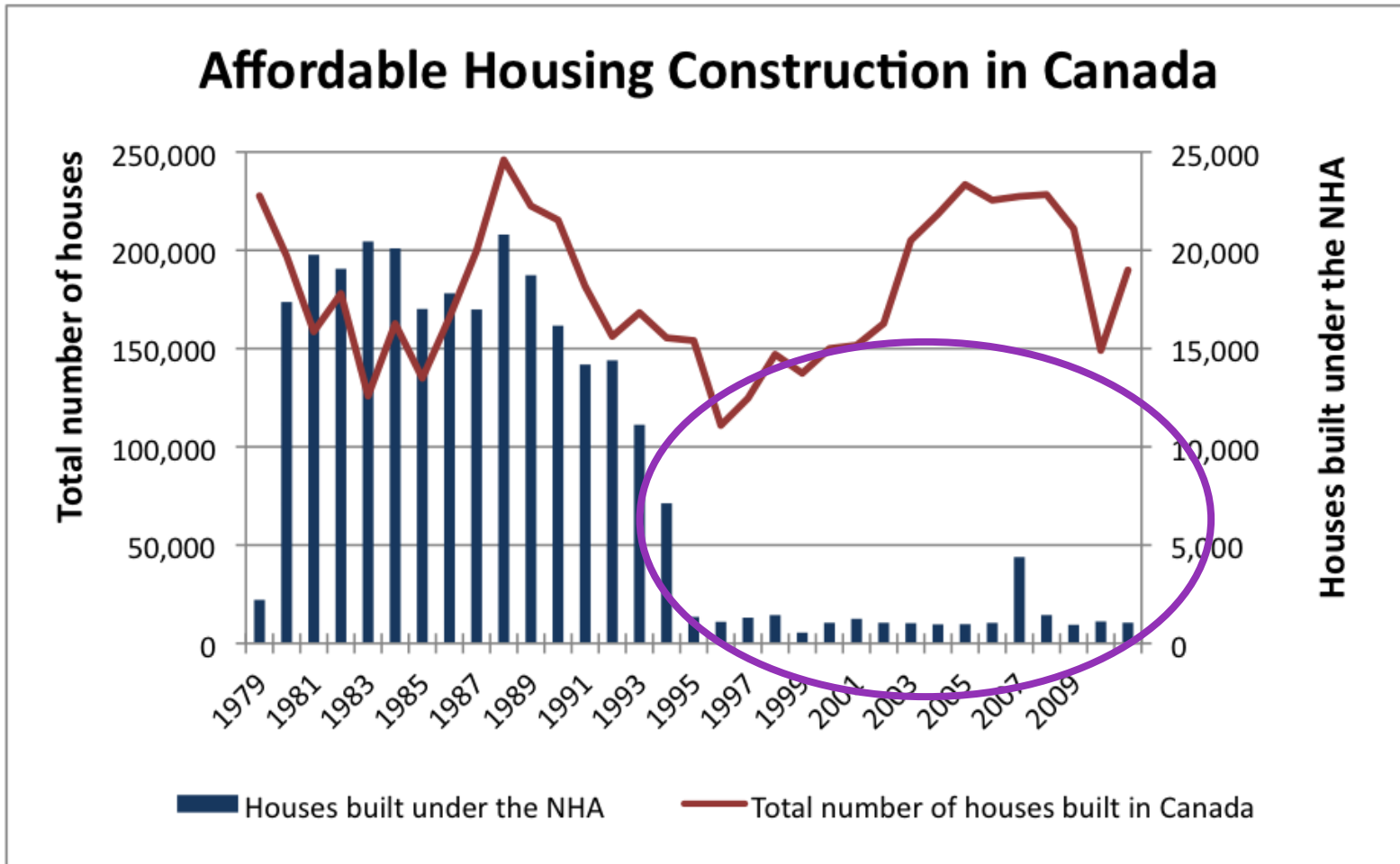
- A broad shift towards an economy based on finance, real estate, and technology
- Pre-sale model underpins financing of development in the city



The GTA's “Green Belt”

What have governments in Canada done with public land between 1993 and today?

Research Question



Source: *Michael Shapcott, Wellesley Institute*

<https://policyfix.ca/2011/10/07/where-has-all-the-affordable-housing-construction-gone/>



INTERNET
ARCHIVE

Methodology

- Freedom of Information Requests (FOIs)
- Annual Reports and Financial Statements
- Teranet Geowarehouse Database and Altus Group Data
 - Ontario land registry data on land parcels (their total size, dates of sale, and sale prices)
 - Data on commercial land transactions 1995–2023
- Web Archive, Media Analysis, TMMIS (City of Toronto)



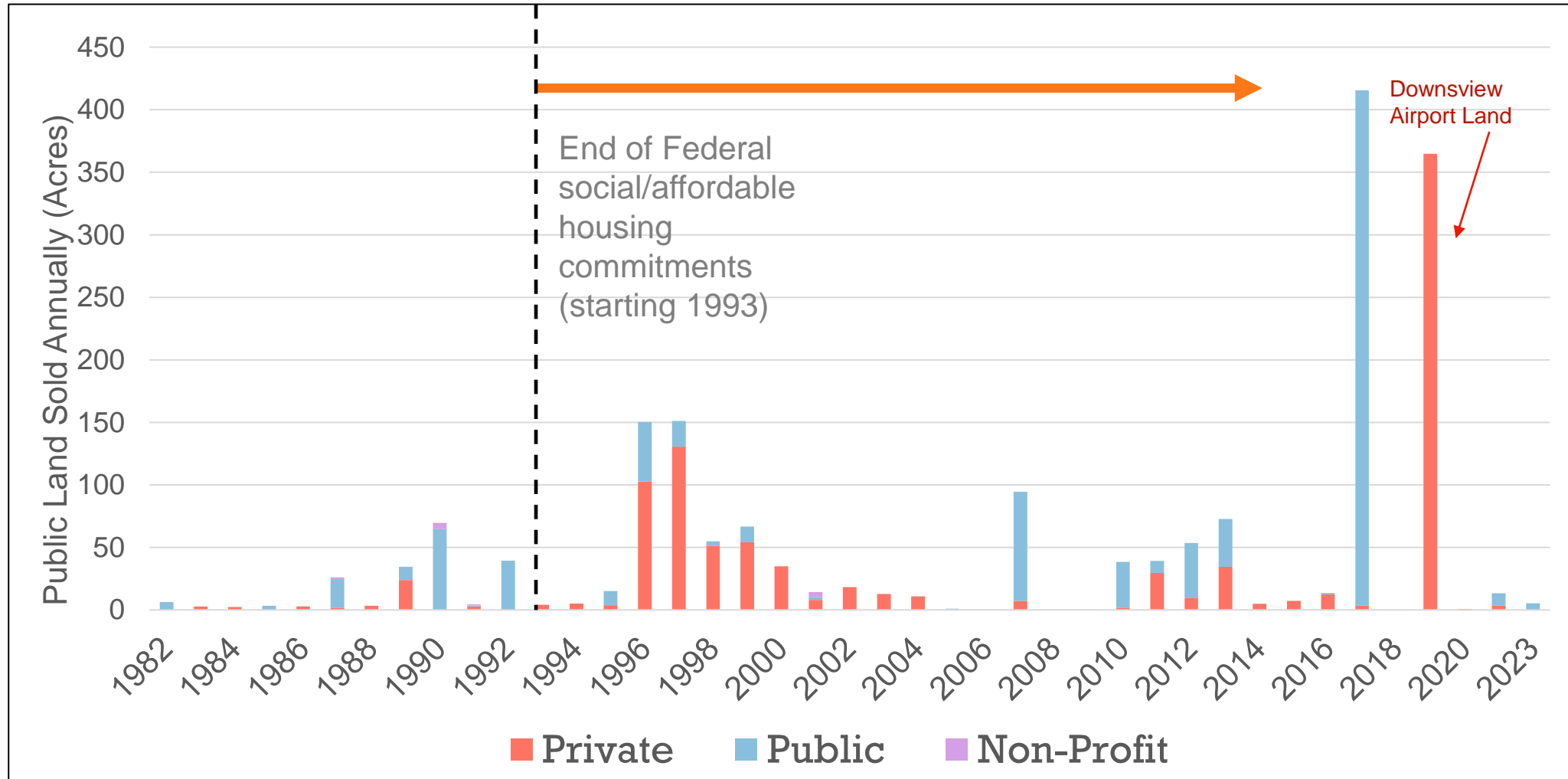
Altus Group



Research Pains

- Land data in Ontario is highly fragmented and hard to access
 - Geowarehouse is expensive (privatized)
 - Teranet has exclusive rights to property boundary shapefiles
 - Governments unwilling to share this data in some cases
- FOI process is uneven and takes time
 - Have done more than 60 FOIs for broader project
 - Redactions, Denials
- Land and its ownership is complex
 - Canadian land is settled land (held “By Right of his Majesty the King”)
 - Easements
 - Air and water rights
 - Lend leases, etc.

Acres of Public Land Sold by Federal Provincial Government in the GTA, 1980–2023



Sources: Altus Group. Directory of Federal Real Property. Compiled by Sean Grisdale



ONTARIO

Office of

PRIVATIZATION



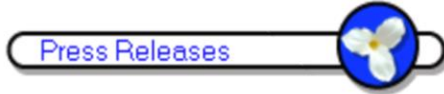
General Information



Privatization Framework



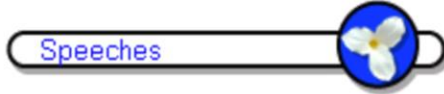
Advisors



Press Releases



Candidate Update



Speeches

GTA

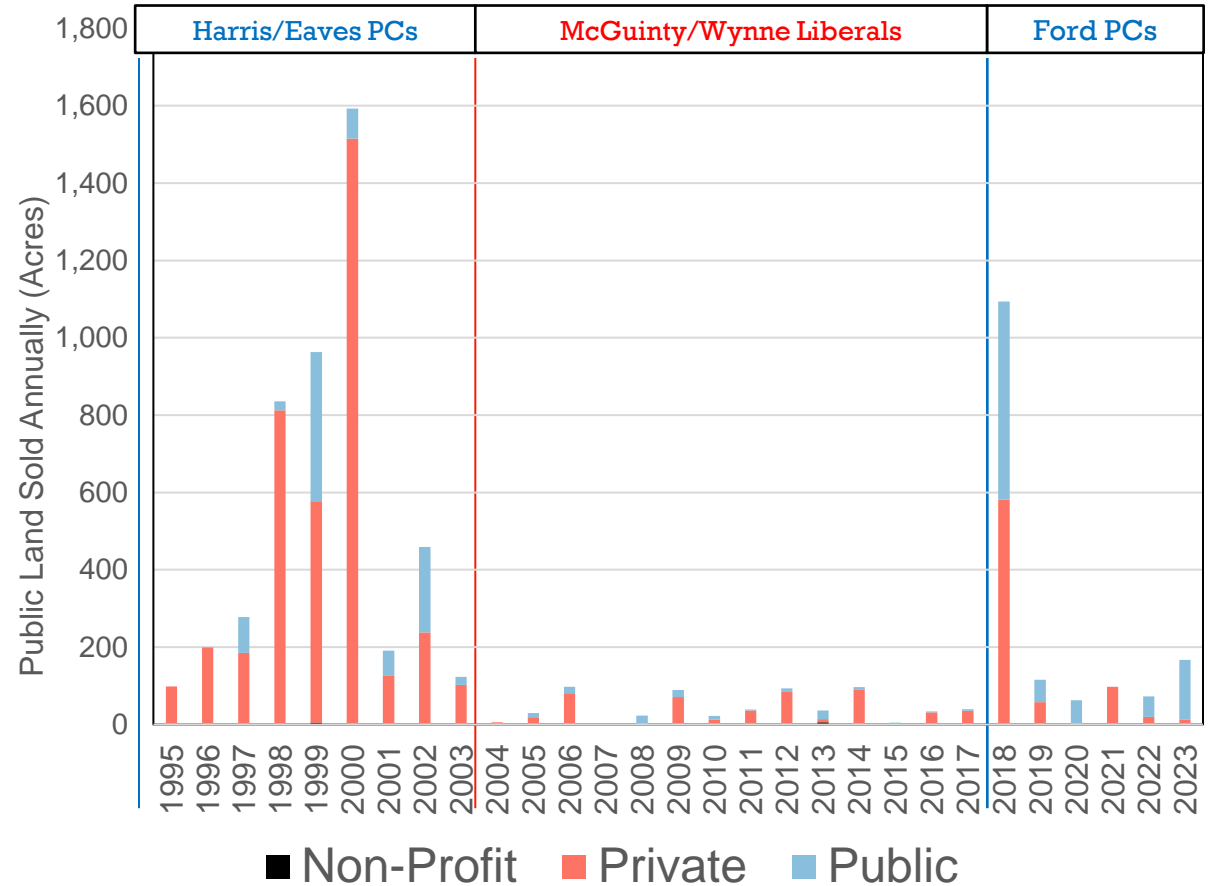
Province wants to speed sale of 243 surplus properties



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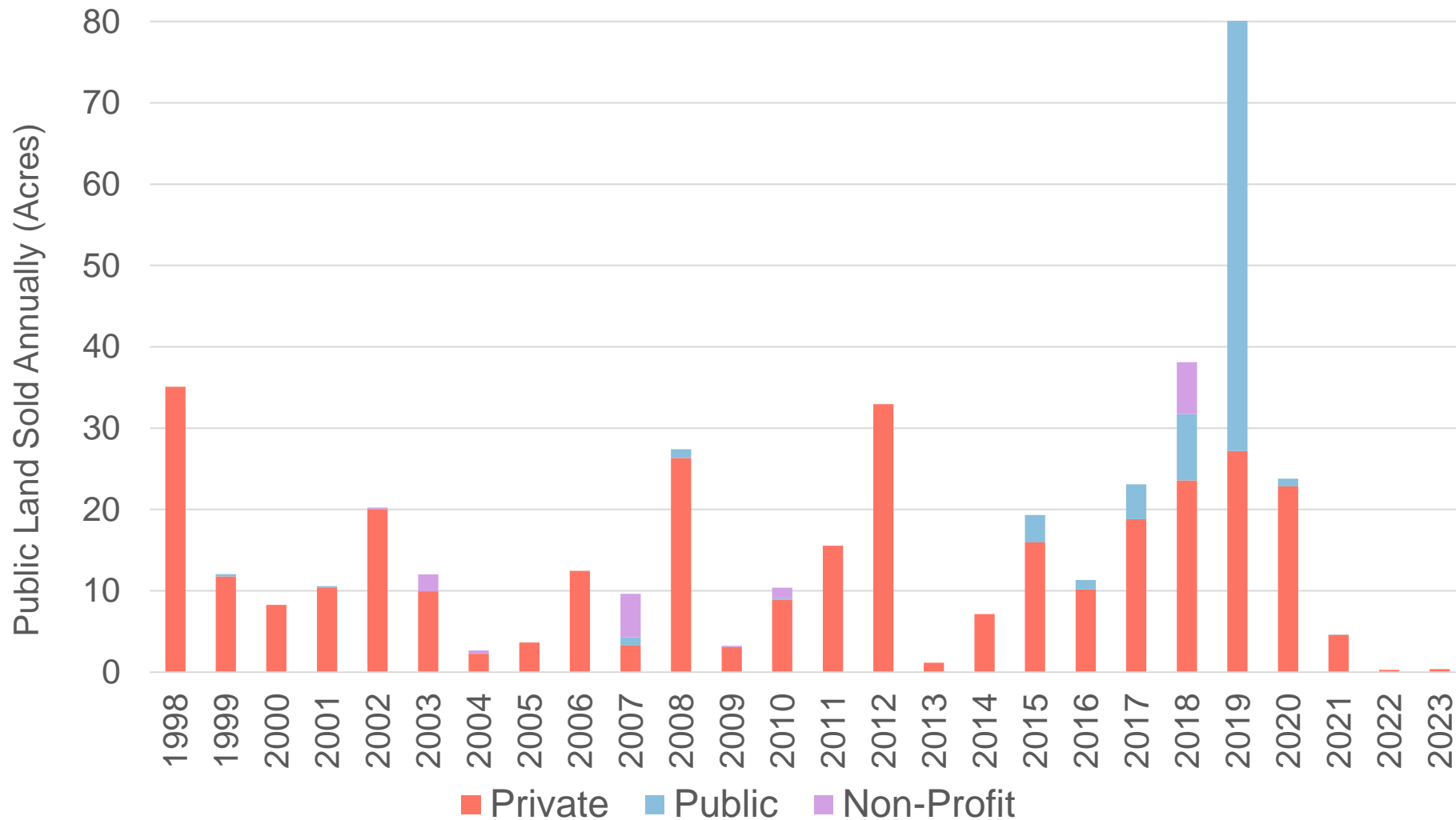
Tue., Dec. 4, 2018 | 3 min. read

Public Land Sold by Ontario Provincial Governments in the GTA, 1995–2023



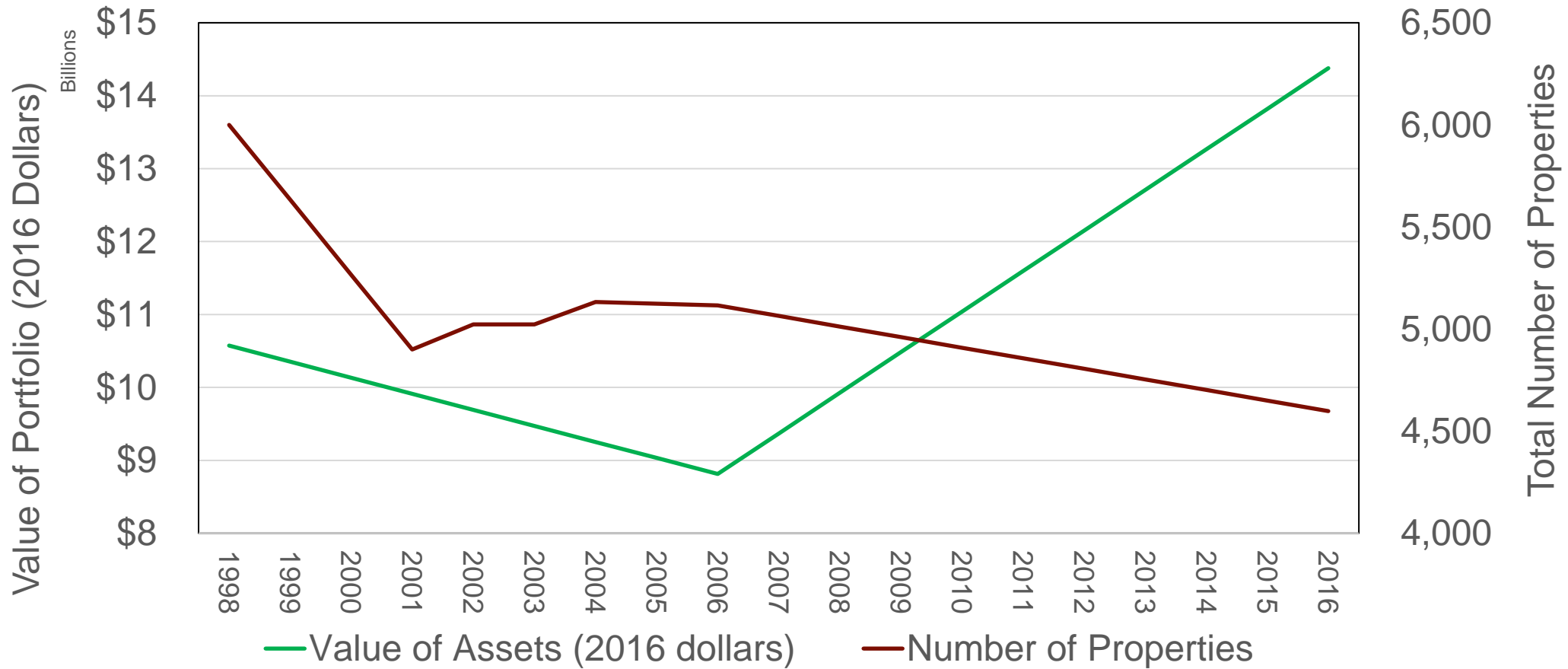
Source: Altus Group. Compiled by Sean Grisdale

Public Land Sold by Municipal Government in the City of Toronto, 1998–2023, by Category of Buyer



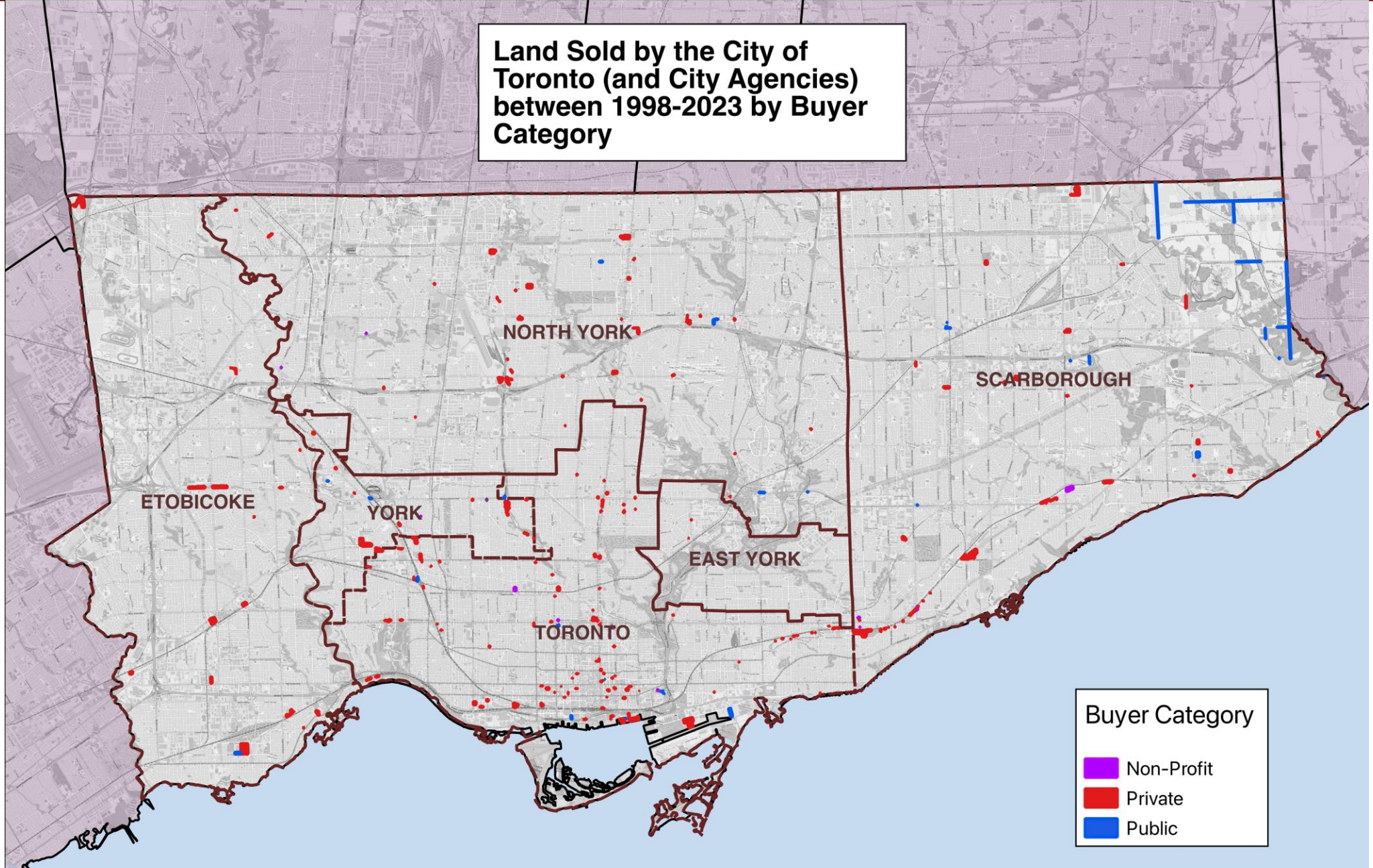
Source: Altus Group. City of Toronto. Compiled by Sean Grisdale

Number of Properties and Total Value of Properties (2016 Dollars) in the City of Toronto Real Estate Portfolio from 1998–2016



Notes: 2016 figures are from Deloitte (2016). All other figures are from City of Toronto Budget Summary documents. Value of Assets only has source data for 1998, 2006, and 2016 (the rest are linear estimates). Number of Properties relies on source data for 1998, 2001–2004, 2006, and 2016.

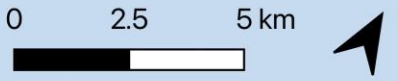
Land Sold by the City of Toronto (and City Agencies) between 1998-2023 by Buyer Category



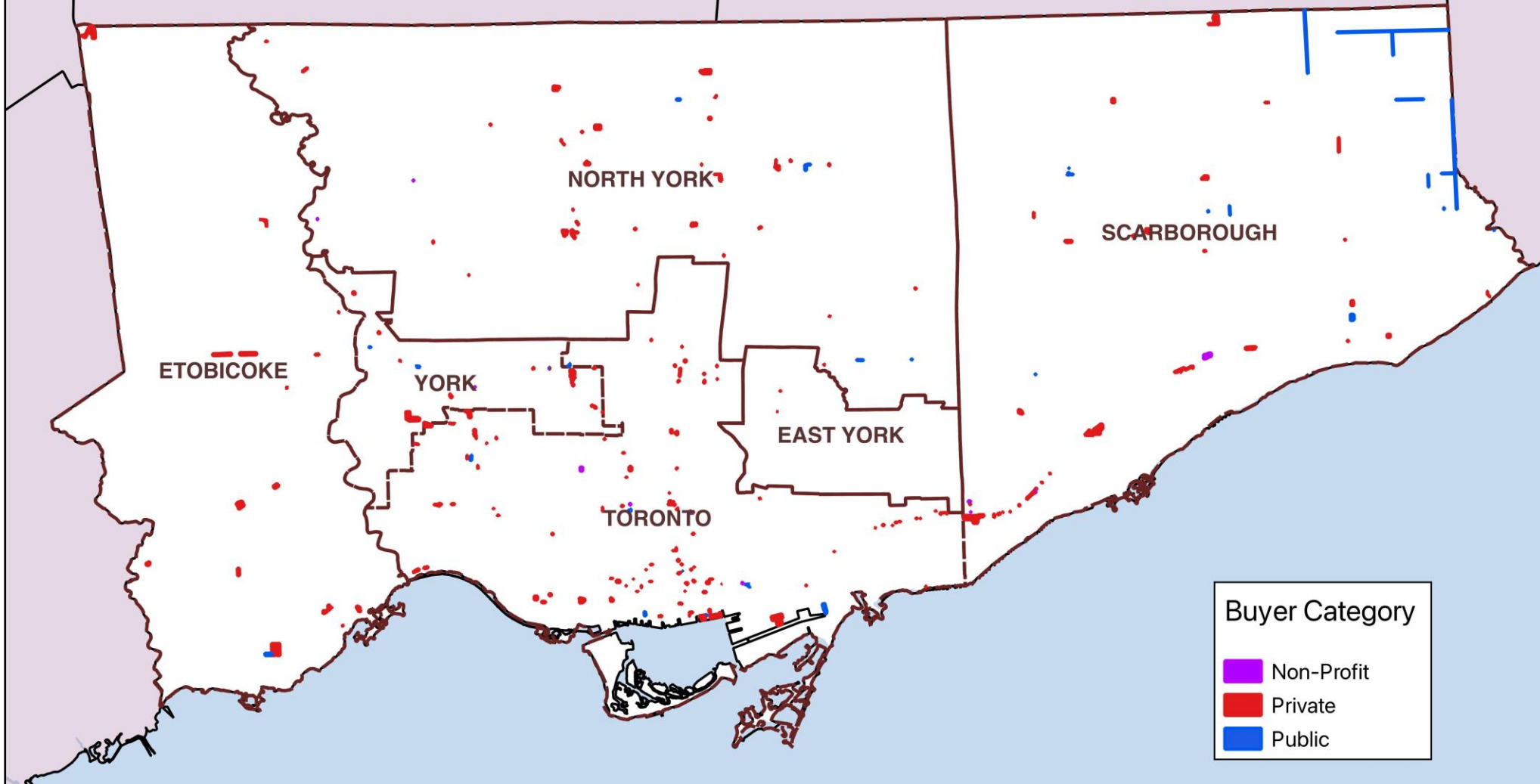
Buyer Category

- Non-Profit
- Private
- Public

Source: Compiled and Mapped by Sean Grisdale



Land Sold by the City of Toronto (and City Agencies) between 1998-2023 by Buyer Category



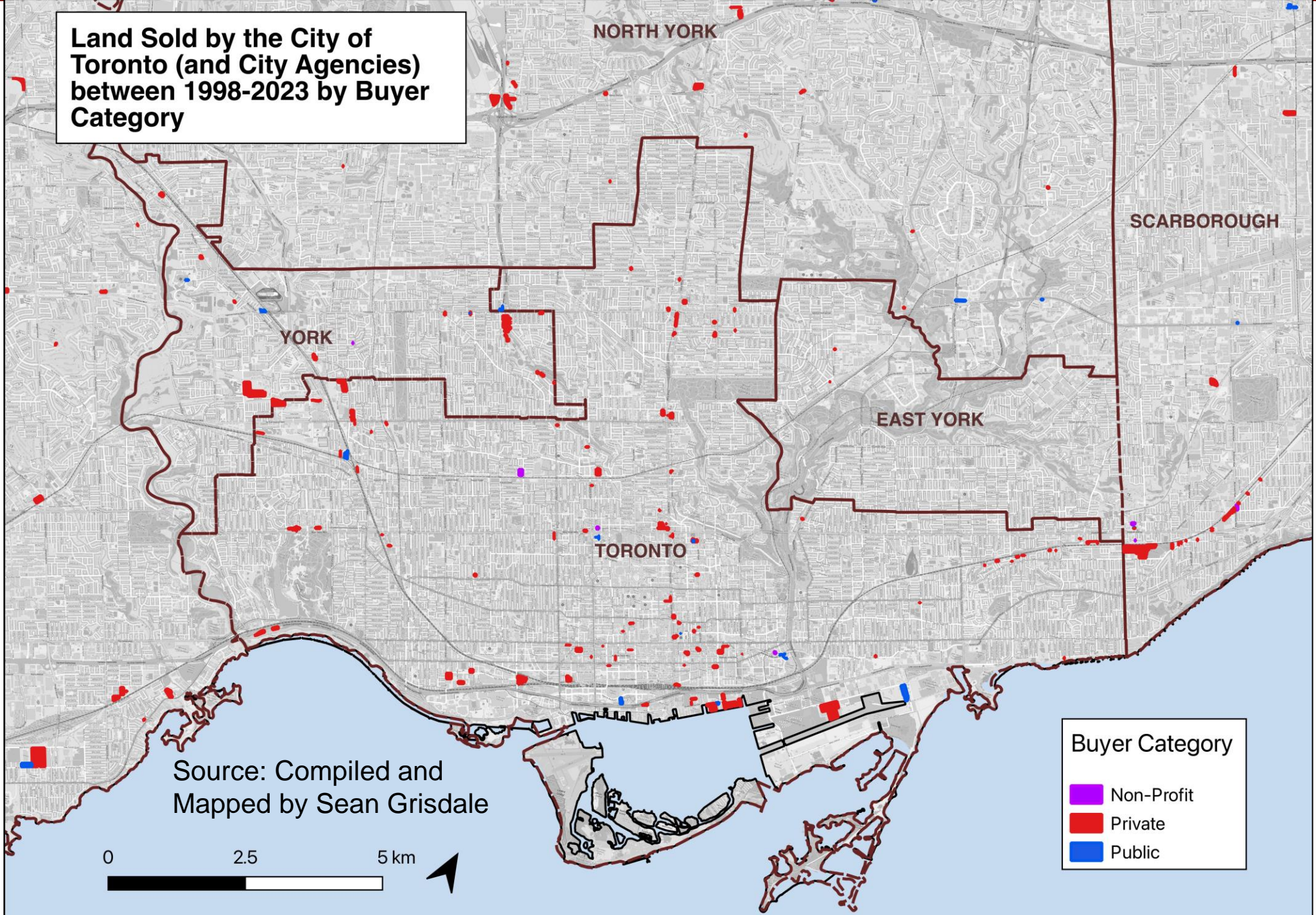
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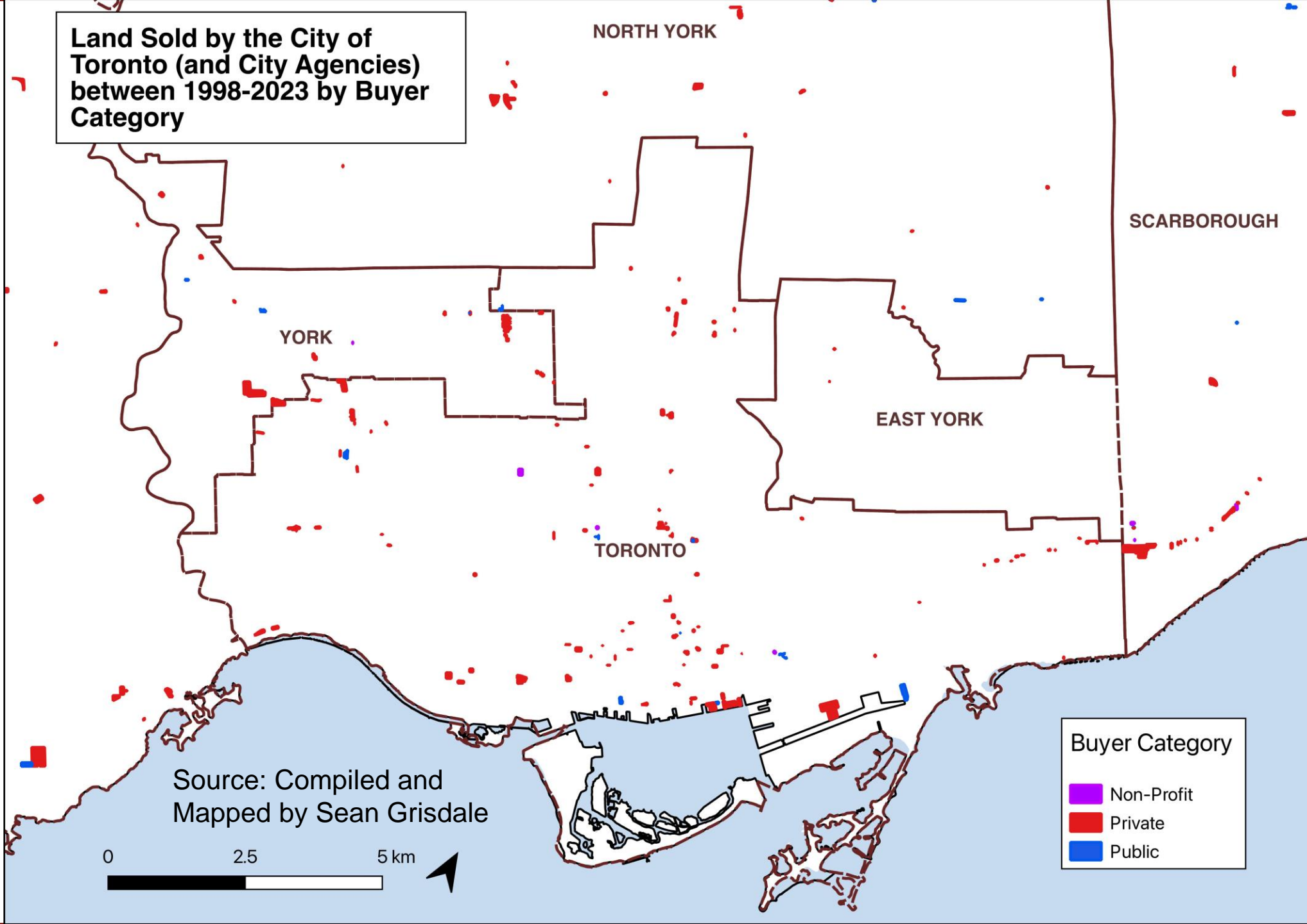


Buyer Category

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- Public

Source: Compiled and Mapped by Sean Grisdale

Land Sold by the City of Toronto (and City Agencies) between 1998-2023 by Buyer Category



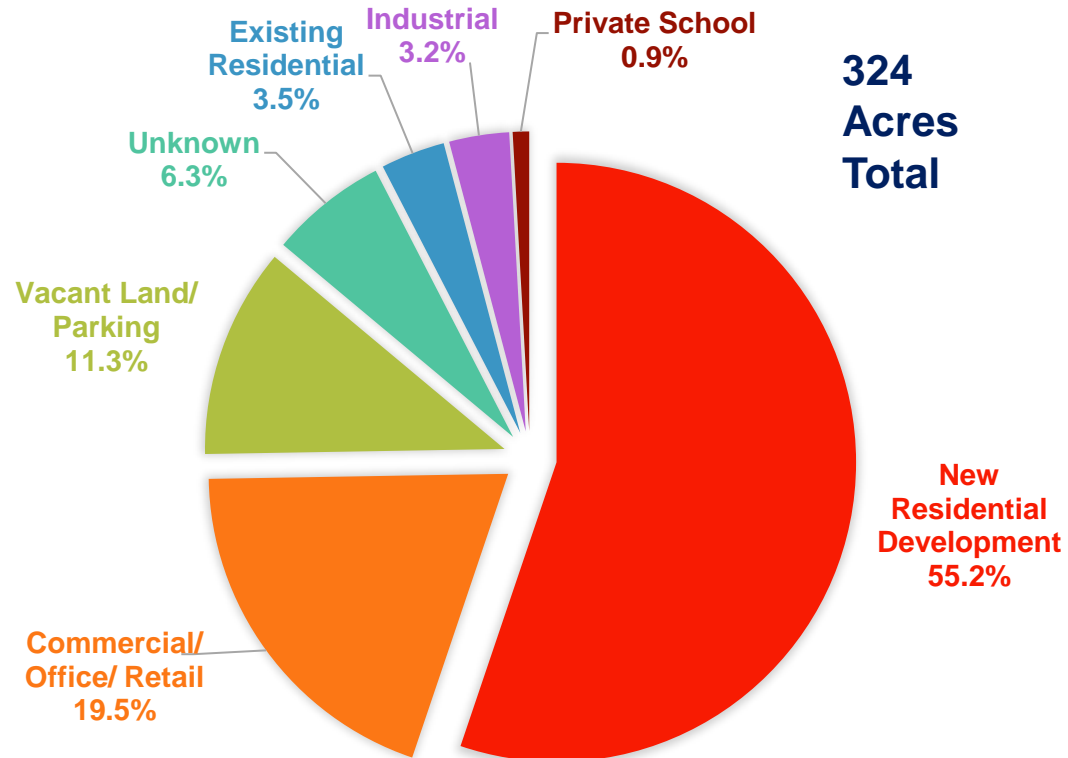
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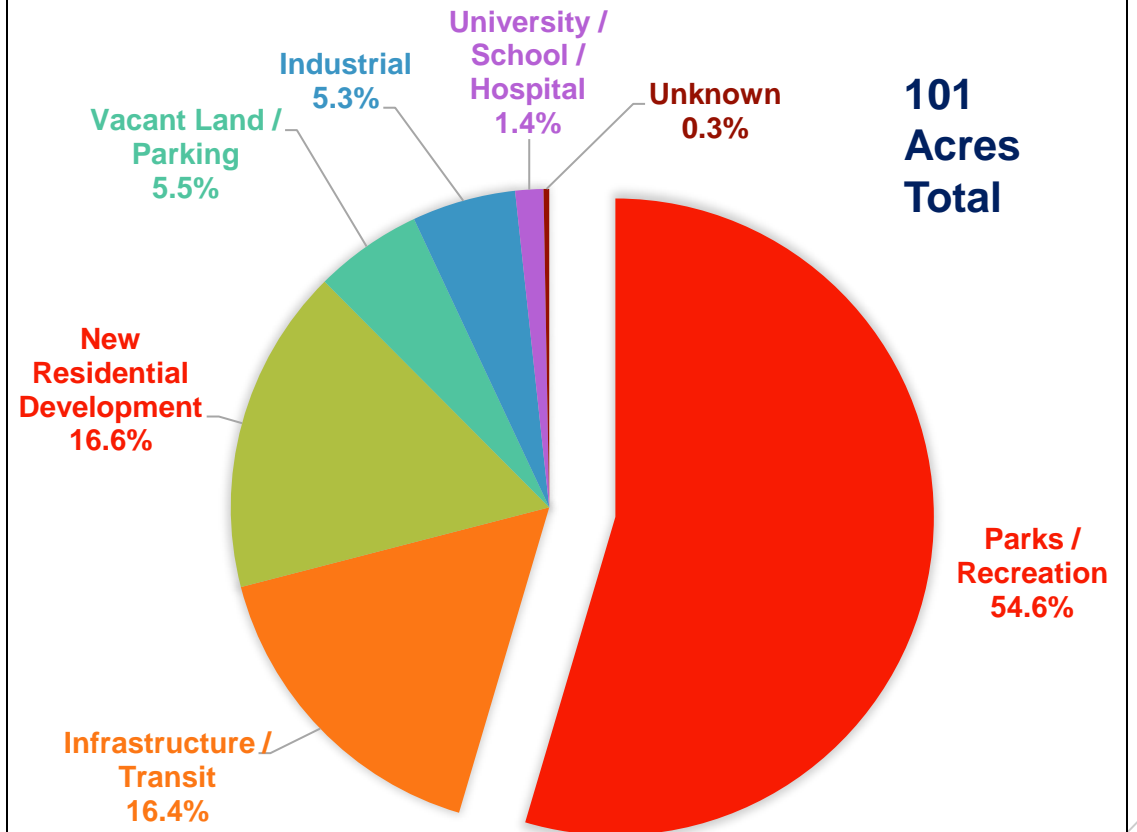
Source: Compiled and Mapped by Sean Grisdale

What has Become of Municipal Land Sold in the GTA between 1998–2023?

Proportion of Total PRIVATIZED Land by Resulting Land Use



Proportion of Total Land sold to PUBLIC / NON-PROFIT Entities by Resulting Land Use



Source: Compiled by Sean Grisdale

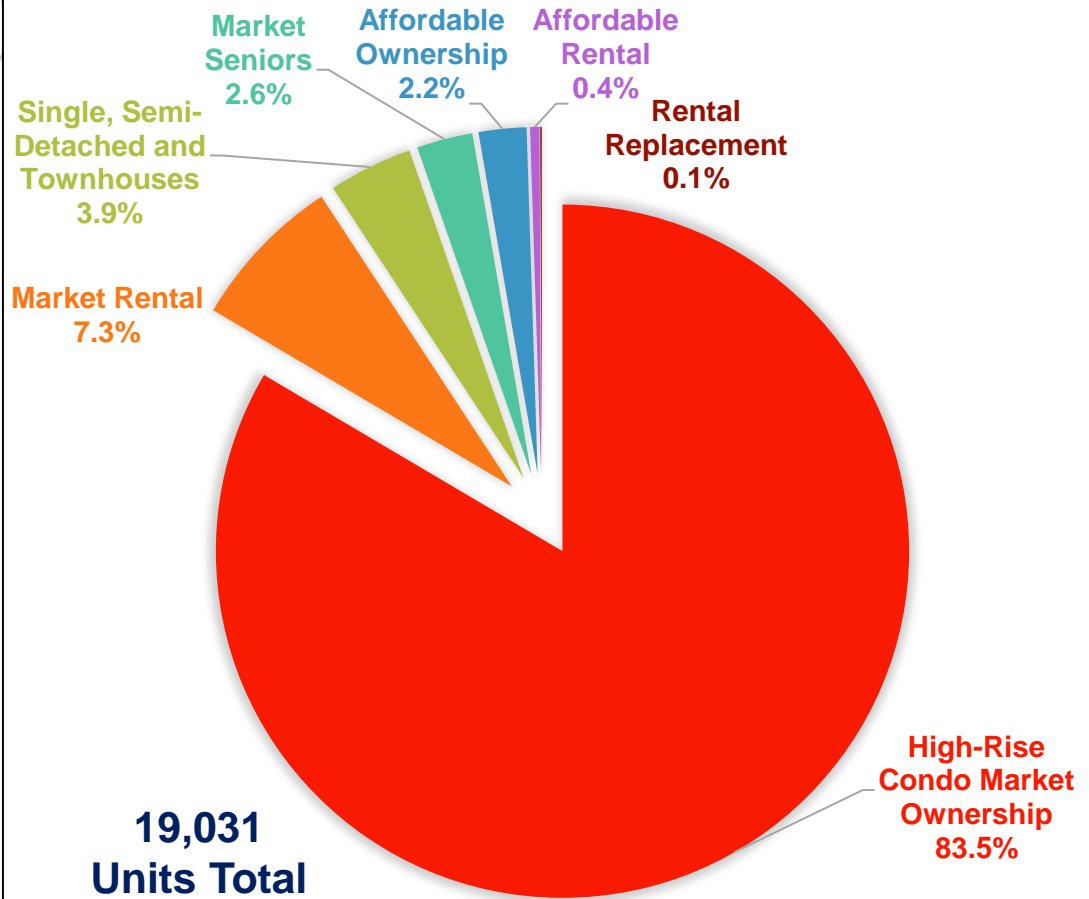
What Kind of Housing was Built on Municipal Land Sold in the GTA between 1998–2023?

| Type of Housing (Built or Planned) | Total Units (Built or Planned) | Percent of Total (Built or Planned) |
|--|--------------------------------|-------------------------------------|
| High-Rise Condominium Apartments | 28,861 | 77.5% |
| Market Rentals | 5,205 | 14.0% |
| Affordable Ownership | 952 | 2.6% |
| Single/Semi-Detached, Townhouses | 936 | 2.5% |
| Market Seniors Housing | 496 | 1.3% |
| Affordable Rentals | 464 | 1.2% |
| Market Student Residences | 225 | 0.6% |
| Rental Replacement Units | 99 | 0.3% |
| | | |
| Affordable Already Built / Total Built or Planned | 506 | 1.4% |
| Affordable Built or Planned / Total Built or Planned | 1,416 | 3.8% |
| Total Built / Total Built or Planned | 19,031 | 51.1% |
| Total Built or Planned | 37,238 | 100.0% |

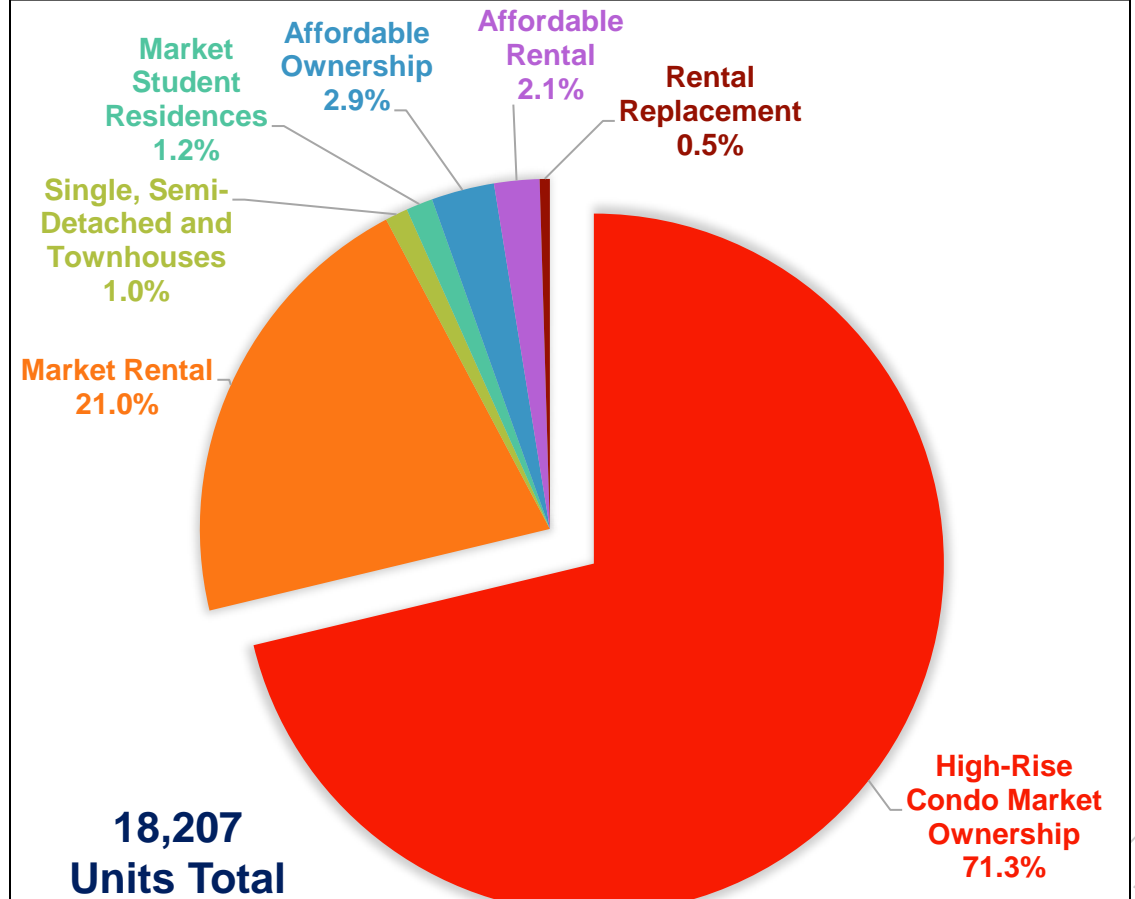
Source: Compiled by Sean Grisdale

What has Become of Municipal Land Sold in the GTA between 1998–2023?

Breakdown of Housing COMPLETED on former Municipal Land

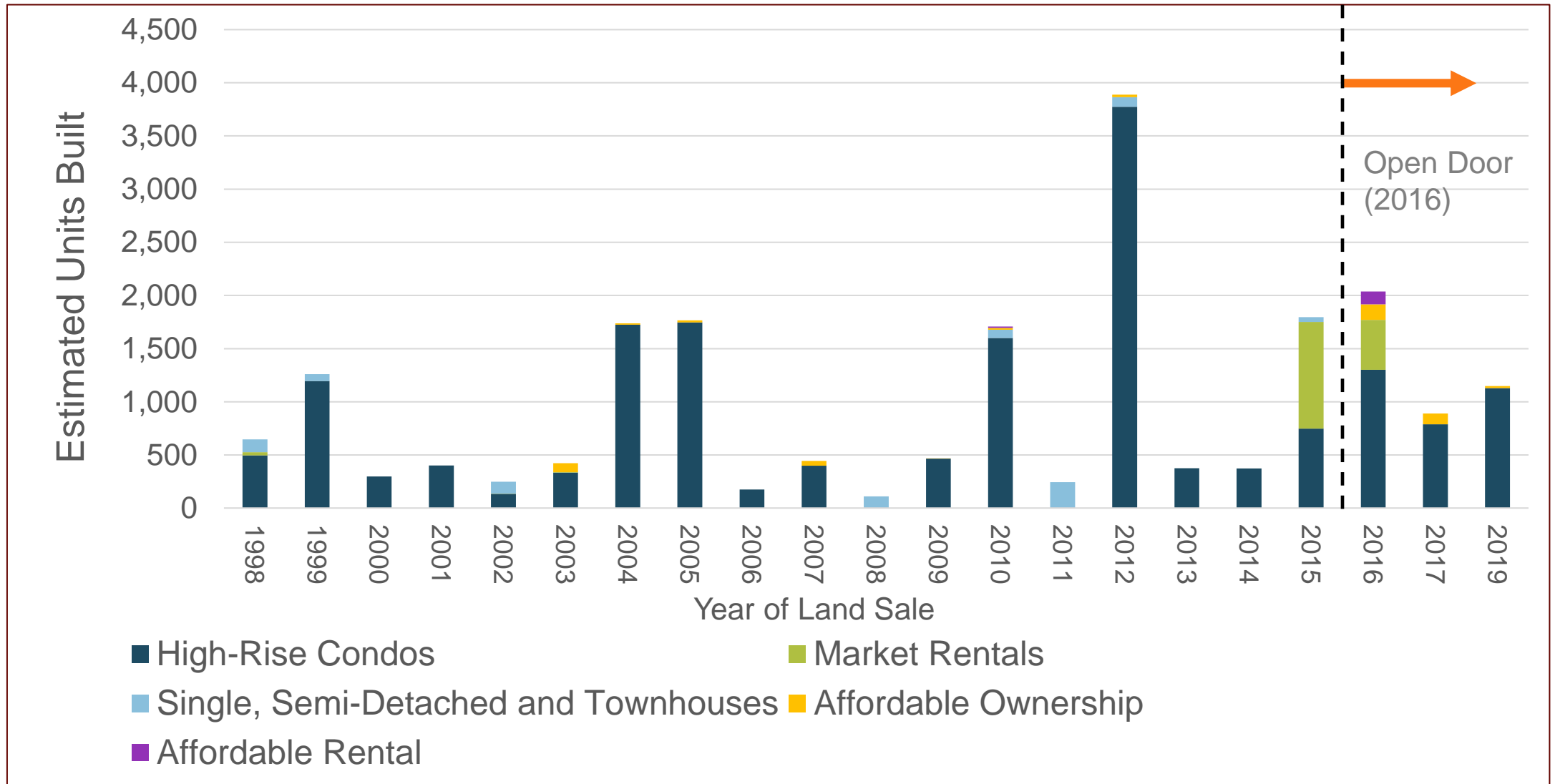


Breakdown of Housing Still PLANNED on former Municipal Land



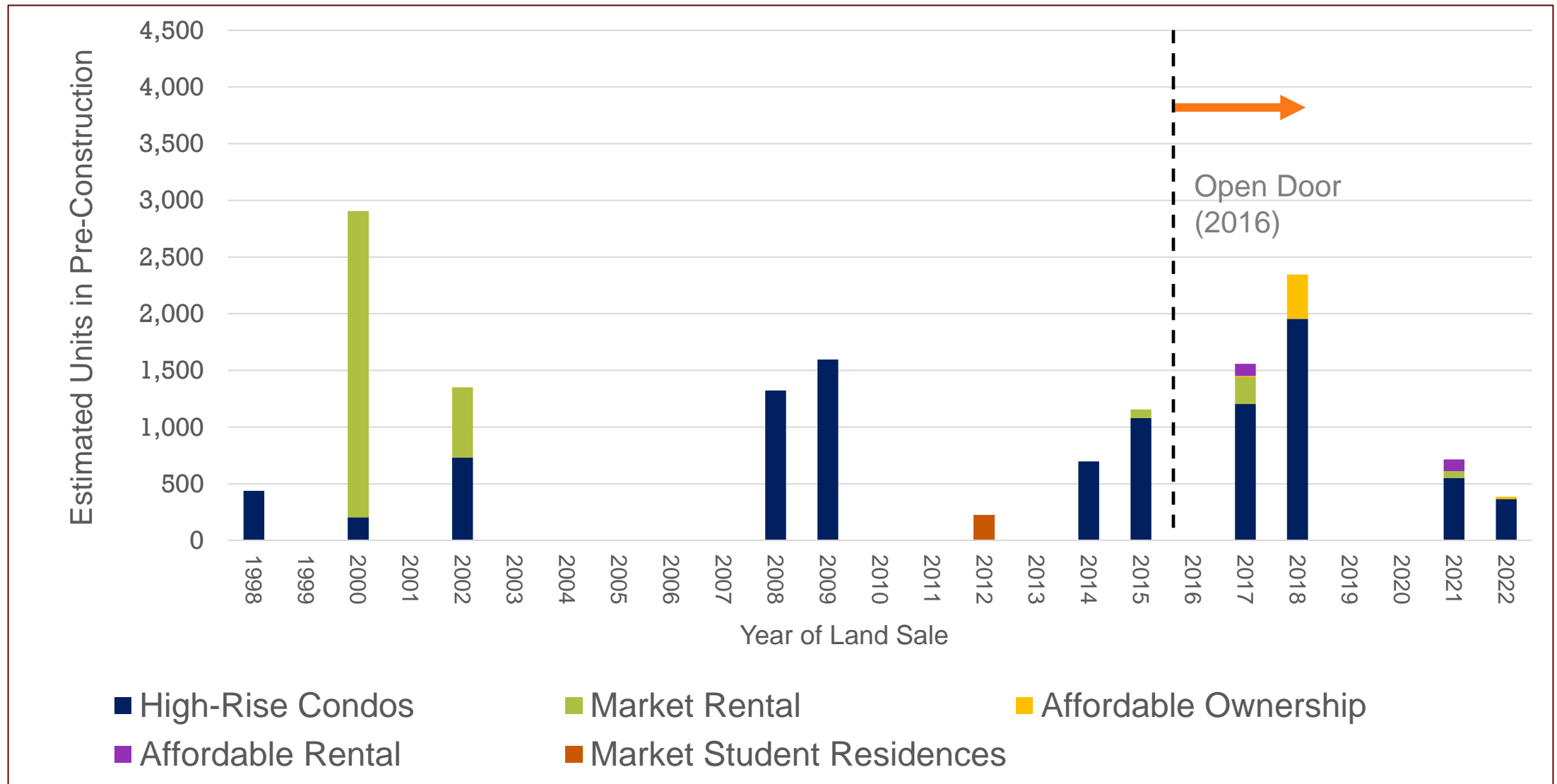
Source: Compiled by Sean Grisdale

Completed Housing on Former Municipal Lands Sold Between 1998 and 2022 (by Type and by Year of Land Sale)



Source: Compiled by Sean Grisdale

Housing Planned on Former Municipal Lands Sold Between 1998 and 2022 (by Type and by Year of Land Sale)



Source: Compiled by Sean Grisdale

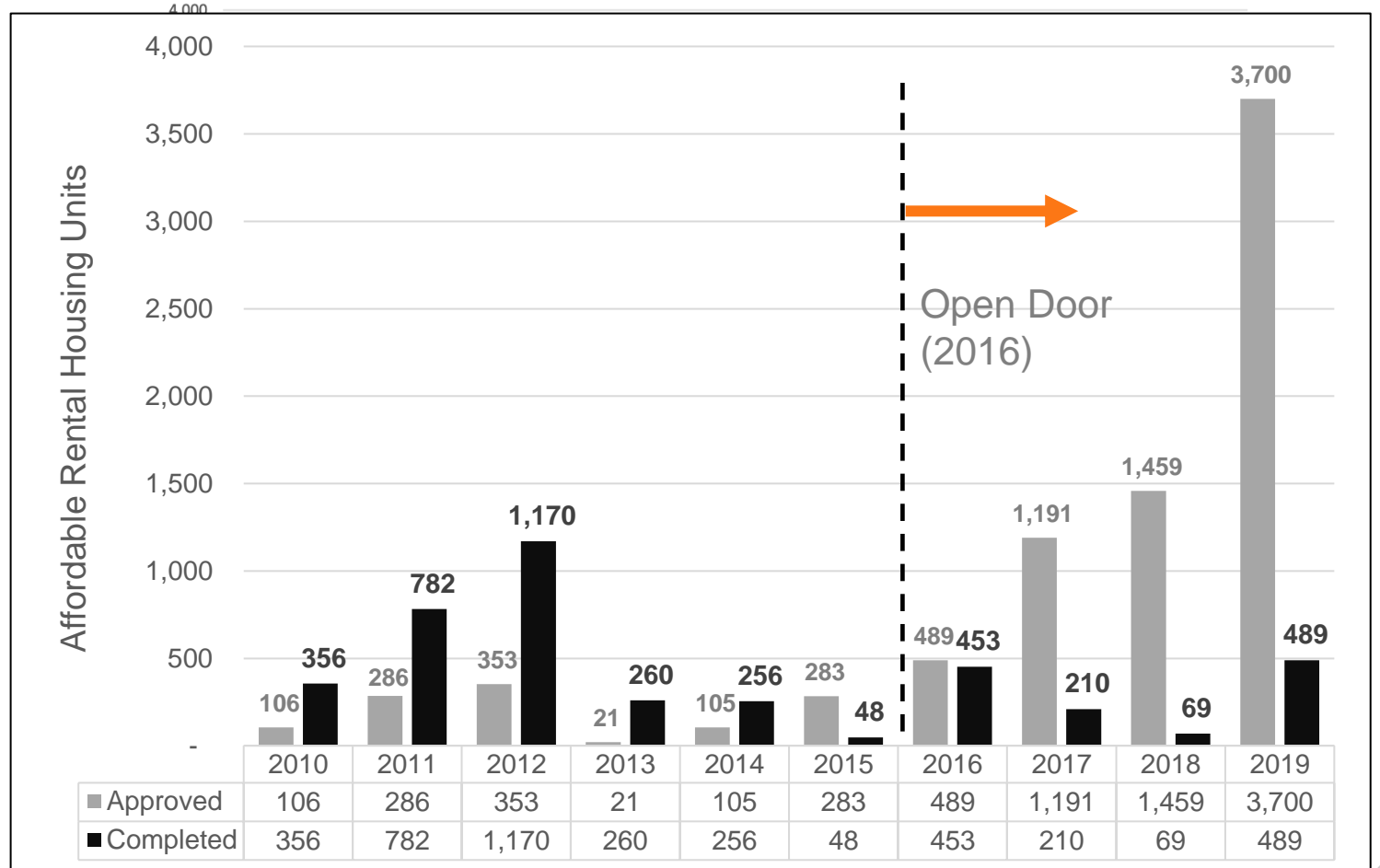
Breakdown of Programs Financing Affordable Housing on Land Sold Between 1998–2023

| Affordable Ownership Units on Former Municipal Land | | |
|--|-------------------------------------|------------|
| Program | Already Built or Under Construction | Planned |
| Open Door | 234 | 0 |
| Habitat For Humanity | 198 | 10 |
| Social Housing Agreement | 84 | 0 |
| Artscape/Open Door | 15 | 0 |
| Inclusionary Zoning | 0 | 19 |
| Options for Homes | 0 | 392 |
| Grand Total | 531 | 421 |

| Affordable Rental Units on Former Municipal Land | | |
|---|-------------------------------------|------------|
| Program | Already Built or Under Construction | Planned |
| Habitat For Humanity | 119 | 0 |
| Open Door | 100 | 61 |
| Open Door/Federal and Provincial Investment in Affordable Housing Program | 21 | 0 |
| Build Toronto | 12 | 0 |
| CMHC Rental Financing | 0 | 47 |
| CreateTO/Open Door | 0 | 104 |
| Grand Total | 252 | 212 |

Source: Compiled by Sean Grisdale

Discussion



Notes: Increase in completions between 2010 and 2012 reflects funding from provincial and federal governments. Increase in approvals in 2017 and 2018 reflects initiation of Open Door program and Provincial Affordable Housing Lands Program (PAHLP). Projected actual completions in 2019 reflect Housing Now Program (City of Toronto, 2019).

Discussion

Key Findings

Privatization of public land is an underexamined element of the post-industrial, neoliberal transformation of the city

- The absence of deliberate housing policy is itself a housing policy
- The state has played a strong fiscal role in condo-ism
 - I.e. providing surplus land, backstopping mortgage debt

Land privatization historically starts when the Federal role in housing ends (early 1990s)

Land privatization historically most prominent in areas amenable to condo development



Recommendations

Strategic use of publicly-owned land remains a key means for achieving affordability as it provides one avenue for making projects viable in an inflated land market

Allows the production not only of physical walls and roofs, but of **dedicated rules around property usage that can achieve our increasing need for new social infrastructure**

Insofar as a government entity retains ownership over any land, they can easily dictate both what is produced on that land, and how it is managed in terms of governance, form, and tenure

Parkdale
Neighbourhood
Land Trust

+

Neighbourhood
Land Trust



多伦多唐人街社区土地信托
Toronto Chinatown Land Trust



2. Get land into hands of non-profit housing providers and land trusts

- Can incorporate into reconciliation efforts

TORONTO INDIGENOUS
COMMUNITY LAND TRUST

4. Co-operation of upper orders of government necessary

- At the end of the day, upper-level funding is necessary

1. Stop selling land for revenue

- Meagre revenues do not justify losing land to speculative actors

3. No partial privatizations of land

- I.e. (Avoid incorporation of stratified, fully market units, 99-year land leases, etc.)

Thank you!

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