

Impact is our purpose.

Real estate is our tool.

Impact Framework
June 2021



Dear friends & colleagues

Positively impacting people's lives has always been at the heart of what we do here at TAS – it's embedded in our DNA and in our approach to life. As new immigrants to Canada 40 years ago, my parents founded TAS because they saw custom home building as a powerful tool that could help families thrive. Our toolkit and impact ambitions have evolved significantly since those early days.

We started building mixed-use condominiums in the early 2000's and we experienced a serious setback during the financial crisis of 2008. I learned some hard lessons about over-leveraging in the pursuit of profit, and it forced me to reflect on the company's purpose. When I set out to rebuild TAS, I was determined to create a new and different kind of development company – one that sets a new standard for how business can drive profit as well as positive outcomes for people and the planet.

And so, for the last few decades, building on our roots as a people-focused company, we've been testing, trying and innovating for impact. For TAS in 2021, real estate is our tool, not our purpose. And that's why we describe TAS as an unconventional impact company. We promote connected neighbourhoods and caring, committed communities. We believe that profit is foundational, but not the only goal. We measure success in our ability to push the boundaries of innovation to better serve the people of today and future generations.

On behalf of the entire TAS team, I am thrilled to introduce this impact framework which marks a major step forward in our long-standing commitment to support society and the environment through our work.

The framework is the result of decades of deep engagement with the communities we serve, a healthy dose of learning-by-doing, and an in-depth evaluation project over the past six months to review the best available impact methodologies and practices. Our new framework formalizes our approach to impact through an ambitious set of objectives – including environmental, social and governance factors – and charts a path forward for how we'll track our progress over the coming years and decades.

We have selected the Future-Fit Business Benchmark to strategically anchor our approach. In our view, it is the most comprehensive and leading-edge methodology out there. Grounded in the United Nations Sustainable Development Goals, **Future-Fit provides a roadmap to:**

1. **Comprehensively assess and eliminate any and all negative externalities created by our work; and**
2. **Focus our pursuit to positively impact people and the planet by tackling climate change, broadening affordability and equity, and building social capital.**

To demonstrate our unwavering commitment to creating a society that can flourish in the 21st century, **we are the first real estate platform in the world to declare ourselves a Future-Fit Pioneer.** I'm proud that we've taken this bold leap, which expands our long-standing ambition to positively disrupt and lead a systems change towards purpose within our industry.

It is critically important to highlight that none of this can be done alone. We all need to work together – across public and private sectors – to ensure a vibrant and resilient shared future.

Our TAS team will continue collaborating with a wide range of partners to deliver and scale our impact, and we hope you'll consider this document an official invitation to join us and take part in this collective journey. If you have any questions, suggestions or a great partnership idea, please get in touch – we look forward to connecting.

This document is a statement of purpose. It sets out our strategy, shares our ambitious long-term objectives and highlights the initial actions we're taking to achieve these targets. We've begun embedding the framework in our management systems, and we will publish a detailed metrics-based progress report annually starting in mid-2022. We are committed to showcasing our work so that others can learn from our successes and failures as we make our way on our journey. And so, moving forward, when we research a new building material, find a new way to underwrite for impact, develop a new commercial equity sharing model, or explore a new policy idea – you're going to hear about it. We will act as an open-source innovator in pursuit of positive impact.

We hope that you'll find this framework as exciting as we do, and that it will spark new ideas around how you, your colleagues and your partners can make a lasting positive impact that we can all celebrate.

Let's create that together.



A handwritten signature in black ink, consisting of a stylized 'M' followed by a large, sweeping loop.

Mazyar Mortazavi
President & CEO

About Us

TAS is an unconventional impact company that promotes connected neighbourhoods and caring, committed communities.



We raise and deploy multipurpose capital in a combination of ground-up development and repositioning projects. As of May 31, 2021, we had entitled, developed and completed projects totaling over \$900 million in asset value, and our development pipeline and portfolio of assets under management totaled six million square feet across 15 projects within the Greater Toronto and Hamilton Area (GTHA).

To advance the impact objectives outlined in this document, we recently broadened our value-add and repositioning strategy to include flex office and light industrial properties – which we refer to as our Commercial Community Hub Strategy. We recently had the final closing for our third real estate fund (TAS LP 3). We raised in excess of \$115 million for that fund and an associated co-investment vehicle focused on our Commercial Community Hub Strategy. In total since 2012, we have raised over \$275 million of equity capital for diversified real estate strategies.

Join us by visiting tasdesignbuild.com and follow our journey on [LinkedIn](#), [Instagram](#), and [Twitter](#).

Our Approach

Scale of the Problem

How business interacts with people and the planet needs to change.

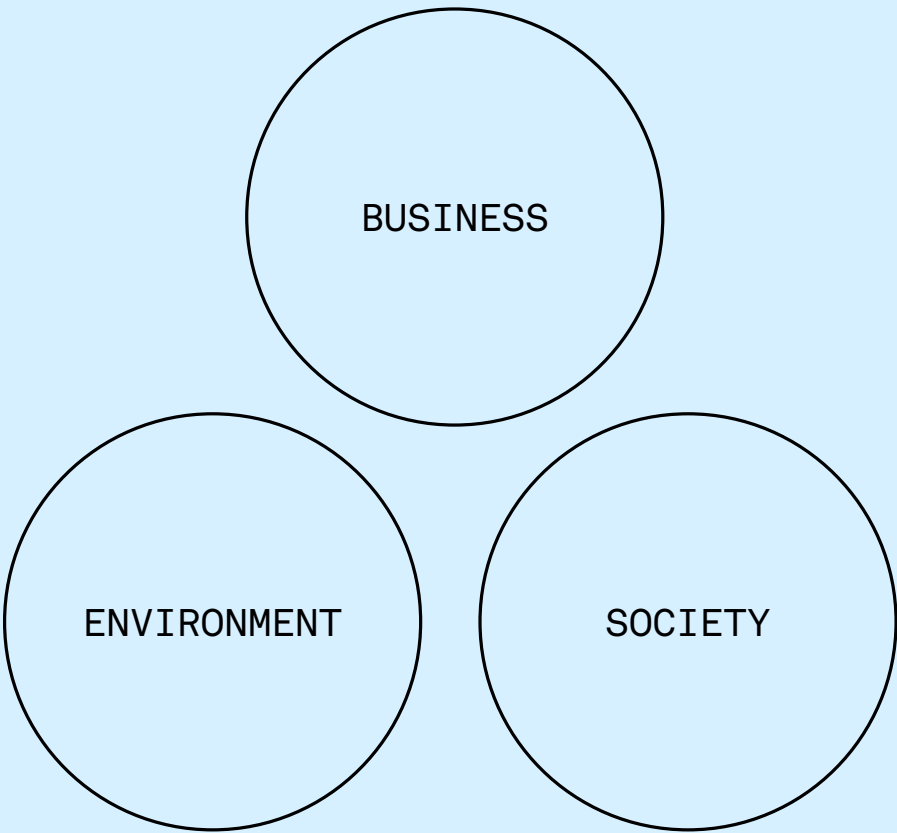
Extreme weather events, mounting affordability challenges, systemic inequality and social barriers, the global COVID-19 pandemic, the Black Lives Matter and Stop Asian Hate movements, and so much more, have undeniably shown the unsustainable direction we are headed in.

We can and must do better. The real estate industry shapes our neighborhoods, cities and the spaces we share. Its rapid expansion has been almost singularly guided by the pursuit of profit as cities have spread faster and grown bigger. The result? Inefficient and unlivable glass boxes in the sky, inequitable access to space, and disconnected neighbourhoods that widen the gap between the haves and have-nots. Low levels of trust, care and commitment hinder our communities.

At TAS, we're action-oriented optimists. While we see the challenges ahead, we also see great opportunity to create neighbourhoods and cities that are more livable, more diverse – and ultimately more human. And so, we're committed to building on our strengths and leveraging our platform to lead a positive systems change around how business – as a whole and within our industry specifically – interacts with people and the planet.

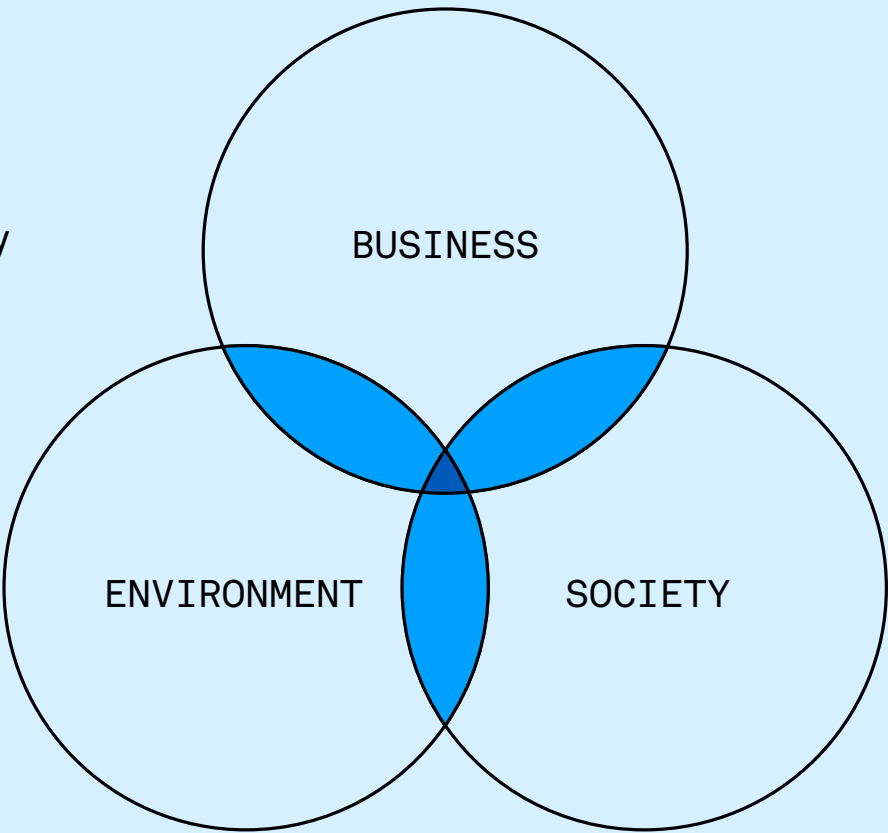
Shareholder Value

Financial returns are all that matter: companies privatize gains and externalize losses.



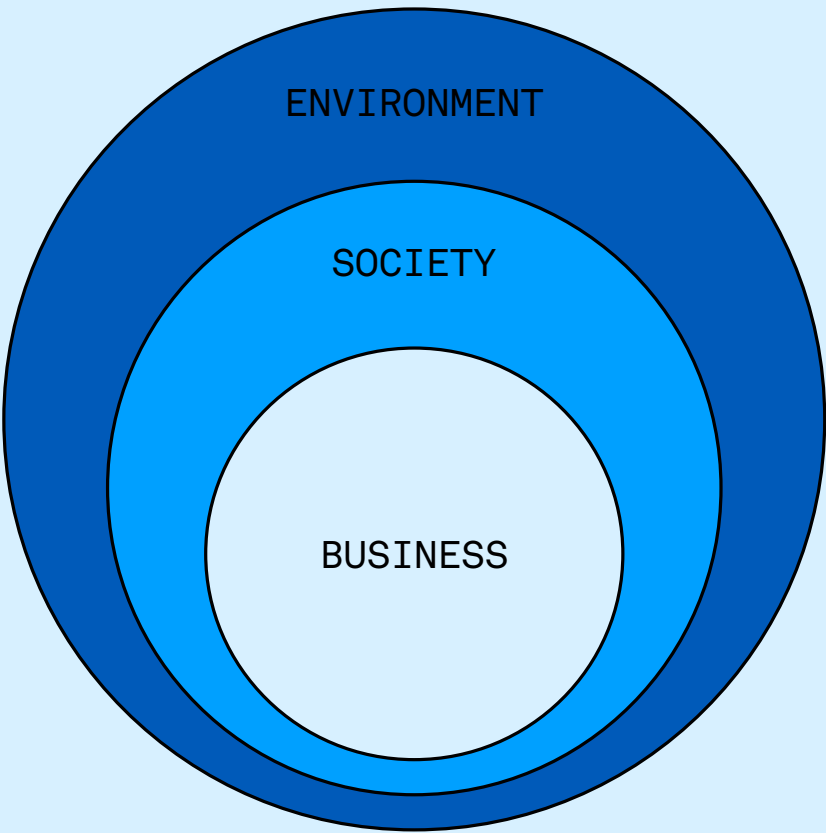
Shared Value

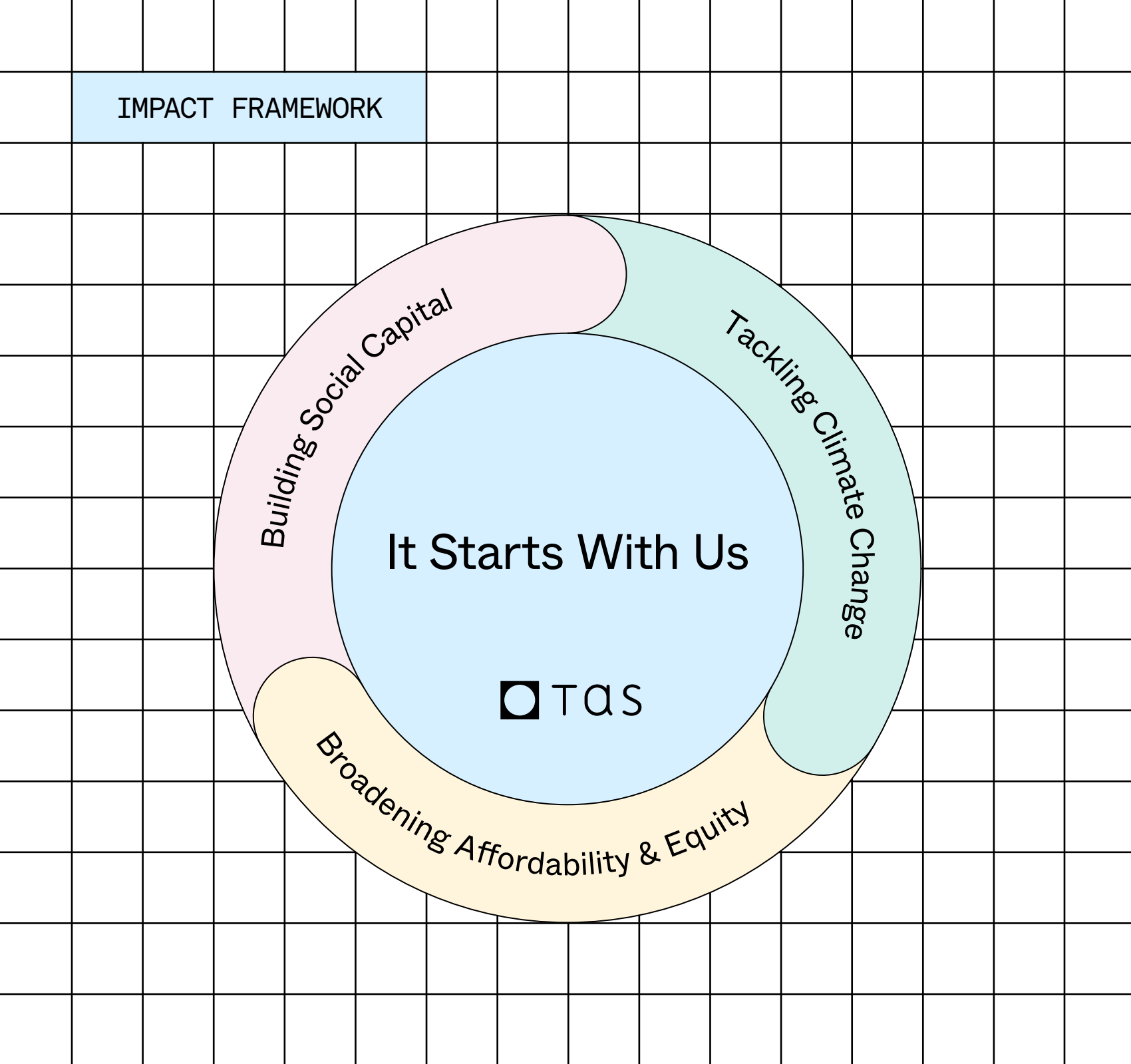
Business comes first: negative impacts are often not sufficiently internalized, or justified by 'doing good' elsewhere.



System Value

Business in no way hinders – and ideally contributes to – society's progress towards future-fitness.





To focus and guide our commitment to lead this systems change, we have developed a comprehensive impact management framework that integrates environmental, social and governance (ESG) factors across our business. We have already started implementing this framework by embedding associated objectives and data collection practices within our management systems and in our day-to-day decision making.

It Starts With Us

To guide and operationalize our commitment to lead the industry towards greater sustainability and equity in a rapidly evolving urban context, we’ve adopted the Future-Fit Business Benchmark. This forward-looking outcome-driven tool is linked to the UN Sustainable Development Goals (SDG) and best available science as developed by the Framework for Strategic Sustainable Development.

The benchmark defines what it will take for a business to “do no harm” to people and the planet and provides a roadmap for how to get there. Selectively focusing on positive impacts is not enough; we must also operate our businesses and deliver our products in a sustainable manner. It starts with us.

The Future-Fit methodology has helped our team conduct a detailed assessment of the negative externalities our business generates and start identifying exactly how to eliminate them. Comprehensive and systematic, the framework has guided us in setting meaningful targets and in determining how we will quantify and track our progress, which we’ll disclose publicly on an annual basis moving forward.

Positive Pursuits






We have also identified three areas where we will focus our pursuit of positive impacts. We will:

Tackle climate change by becoming carbon neutral by 2045.

Develop and implement solutions that **address the growing affordability gap and the lack of equity creation opportunities** across residential and commercial spaces within our portfolios.

Build and strengthen social capital within the local neighbourhoods where we deliver projects, with a focus on developing measurement tools that demonstrate tangible improvements on quality of life, access to resources, individual resiliency, community connectedness, trust and care, and more.

We will focus heavily on the “S” aspects of the ESG mix. There’s important new ground to be broken here since many impact management tools and practitioners in our industry focus on environmental and governance factors.

Tracking Our Progress		Relevant Inputs & Methodologies				
At TAS, impact is our strategy, and this document sets out its foundations. It includes ambitious long-term objectives, the key tools we’ll use, and initial actions we’re taking to achieve them. This is just the beginning of our journey. Beginning in mid-2022, we will annually share a detailed progress report that will include the quantitative rigour and metrics-based reporting required by Future-Fit.		We integrated four third-party methodologies into the development of our impact management framework.				
		<div><div><p>United Nations Sustainable Development Goals</p><p>The <u>2030 Agenda for Sustainable Development</u>, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are 17 Sustainable Development Goals (SDGs), urgent calls for action by all countries – developed and developing – in global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth – all while tackling climate change and working to preserve our oceans and forests.</p></div></div>	<div><div><p>Impact Management Project</p><p>The Impact Management Project (IMP) provides a forum for building global consensus on measuring, managing and reporting impacts on sustainability. It is relevant for enterprises and investors who want to manage environmental, social and governance risks, as well as those who want to contribute positively to global goals. The IMP convenes a community of over 2,000 practitioners to share best practices, delve into technical issues and identify areas where further consensus is required in impact measurement and management.</p></div></div>			
		<div><div><p>Framework for Strategic Sustainable Development</p><p>A partnership between the Blekinge Institute of Technology, Lund University and The Natural Step as founding institutions (with more partners added continuously), to develop, test and share a unifying framework that supports the world’s decision makers in business, communities and governments as they implement sustainability solutions. Their collective goal is to ensure their decisions are based on scientific foundations and will result in real change towards sustainability.</p></div></div>	<div><div><p>B-Corp</p><p>Certified B Corporations are businesses that meet the highest standards of verified social and environmental performance, public transparency, and legal accountability to balance profit and purpose. B Corps are accelerating a global culture shift to redefine success in business and to build a more inclusive and sustainable economy. TAS has been a certified B Corp since 2016.</p></div></div>			
Per the <u>UN Environment Programme</u> , green financing (or sustainable financing) is intended to increase the level of financial flows from the public, private and not-for-profit sectors to sustainable development priorities.		The data management practices required to measure and report our progress according to the Future-Fit Business Benchmark provide a strong foundation that can easily be mapped. They align with other global standards such as the <u>UN Principles of Responsible Investment</u> (UNPRI), the disclosure of financial material metrics identified by the <u>Sustainability Accounting Standards Board</u> (SASB), the <u>Task-Force on Climate-related Financial Disclosures</u> (TCFD) and the <u>International Capital Market Association</u> (ICMA).		We intend to explore weaving additional methodologies through our impact management framework and future annual progress reports, such as <u>GRESB</u> and <u>The Common Approach to Impact Measurement</u> . Finally, as relevant, we’ll also pursue industry tools such as <u>LEED</u> and <u>WELL</u> certifications for specific projects.		
Sustainable finance instruments such as Green Bonds, and thematic tools such as Social Bonds, Sustainability Bonds or Sustainable Development Goal Bonds, can act as a strong bridge to the SDGs.						
Current work on green financing prioritizes: supporting the public sector to create an enabling environment; promoting public-private partnerships on financing mechanisms such as green bonds; and building capacity for community enterprises on micro-credit.						
The sustainable finance sphere is growing rapidly, and we’re excited to explore private and public sector partnerships to advance these initiatives in alignment with the SDGs.						
	OUR APPROACH	IT STARTS WITH US	TACKLING CLIMATE CHANGE	BROADENING AFFORDABILITY & EQUITY	BUILDING SOCIAL CAPITAL	6

It Starts With Us



Scale of the Problem

1. Our global society is failing in three critical ways.

- Environmental Degradation

We are disrupting the earth’s natural processes and climate, upon which all life depends.

- Social Inequity

The gap between the haves and have-nots is growing; discrimination and social barriers are many and widespread.

- Economic Exclusion

People lack access to the opportunities and basic services they need to thrive.

2. Existing approaches won’t get us back on track.

The methodologies and tools that exist to help companies address these failures focus on relative, industry-specific performance. They are inherently narrow and don’t stretch companies to comprehensively consider all of their impacts. They are selectively focused on the positive and don’t acknowledge the negative impacts that companies generate. Simply put, these impact frameworks cannot guide companies towards true sustainability because they haven’t defined the ultimate destination.

Enter the Future-Fit Business Benchmark, a new kind of tool that responds to society’s biggest challenges by:

- Defining what it will take to create a flourishing future for all; and
- Providing outcome-driven guidance to help companies get there.

As a leader in impact investing, TAS is adopting Future-Fit to help lead our industry in contributing to this critical global movement.

To underscore our commitment, TAS is the first real estate platform in the world to declare ourselves a Future-Fit Pioneer.

The Future-Fit Business Benchmark is an outcome-driven roadmap that will help TAS comprehensively assess all the negative externalities we generate across environmental, social and governance factors, and identify how to eliminate them in order to break even and do no harm to people and the planet.

The Benchmark is linked to the UN Sustainable Development Goals and best available science. It has been informed by the Framework for Strategic Sustainable Development and integrates the Impact Management Project.

The Benchmark consists of 23 Break-Even Goals to guide companies in their pursuit of future-fitness. Each goal is supported by detailed context and progress indicators as well as a calculator we will use to set targets and measure our progress in achieving them.

The comprehensive and ambitious nature of this framework cannot be overstated. It starts with us and the choices we make around how our business operates day-to-day.



The 23 Break-Even Goals cover:

- People, including our own team and external stakeholder engagement
- Governance
- Environmental impacts
- Supply chain and outsourced service providers
- Project delivery, including asset management, ground-up development and construction
- Marketing, communications and customer service strategies

Some Break-Even Goals will be achievable within a year or two; others will take several years; and some will take over a decade. Their all-encompassing nature means that we can’t be selective about where we focus our efforts or the stories we tell. We will need to show real progress against real targets.

We’ve spent the last six months learning about the framework and identifying how to integrate the Break-Even Goals into our operations and related management systems. While we are clear on how and where we’ll advance our pursuit of future-fitness, we cannot yet be clear on the length of the process or every step that will be involved. What we do know is that we’re tremendously proud and excited to start the journey.

As a Future-Fit Pioneer, we’re required to publicly disclose our progress, so we’ll be publishing related successes, failures and ideas in an annual report starting in mid-2022. We will also share regular dispatches through industry event participation, our online channels and through collaborative conversations with current and potential partners. One of the greatest indicators of success will be our ability to inspire others to take new steps to ensure a flourishing future for all.

Every Break-Even Goal is underpinned by a highly detailed Action Guide that includes specific instructions regarding how to calculate Progress and Context Indicators. These robust metrics will be integrated into TAS’s annual progress reports starting in mid-2022.

- | | | | |
|-------------|---|-------------|---|
| BE01 | Energy is from renewable sources. | BE13 | Employees are not subject to discrimination. |
| BE02 | Water is environmentally responsible and socially equitable. | BE14 | Employee concerns are actively solicited, impartially judged and transparently addressed. |
| BE03 | Natural resources are managed to respect the welfare of ecosystems, people and animals. | BE15 | Product communications are honest, ethical, and promote responsible use. |
| BE04 | Procurement safeguards the pursuit of future-fitness. | BE16 | Product concerns are actively solicited, impartially judged and transparently addressed. |
| BE05 | Operational emissions do not harm people or the environment. | BE17 | Products do not harm people or the environment. |
| BE06 | Operations emit no greenhouse gases. | BE18 | Products emit no greenhouse gases. |
| BE07 | Operational waste is eliminated. | BE19 | Products can be repurposed. |
| BE08 | Operations do not encroach on ecosystems or communities. | BE20 | Business is conducted ethically. |
| BE09 | Community health is safeguarded. | BE21 | The right tax is paid in the right place at the right time. |
| BE10 | Employee health is safeguarded. | BE22 | Lobbying and advocacy safeguard the pursuit of future-fitness. |
| BE11 | Employees are paid at least a living wage. | BE23 | Financial assets safeguard the pursuit of future-fitness. |
| BE12 | Employees are subject to fair employment terms. | | |

Impact Objectives						Initial Actions											
<p>As a Future-Fit Pioneer, TAS will help lead our industry towards greater sustainability and equity by:</p> <div><div>1</div>Achieving all 23 Future-Fit Break-Even Goals; and</div> <div><div>2</div>Sharing our journey along the way, including our successes and failures.</div>						<div><div>1</div>Continue embedding the Break-Even Goals across TAS’s operations and ensure that all project and functional teams are advancing a starter-set of related objectives by the beginning of 2022.</div> <div><div>2</div>Achieve all five employee-related Break-Even Goals by mid-2022 – because the wellbeing and future-readiness of #TeamTAS is always our top priority.</div> <div><div>3</div>Start using the Benchmark to guide our procurement policies and practices.</div>			<p>are paid by service providers across our supply chain, and that embodied carbon is minimized in our building materials and offset wherever that cannot be avoided.</p> <p>Future-Fit provides detailed data management infrastructure and guidance to determine quantitative inputs for each element of a related progress indicator calculation:</p> <div><div><div><div>$F^X = \frac{\sum_{d=1}^D f_d^X \times C_d}{\sum_{d=1}^D C_d}$</div></div></div></div> <div><div>Where:</div><div><div><div><div>F^X</div><div>Is the progress towards future-fitness for issue area X, expressed as a percentage.</div></div><div><div>X</div><div>Is the issue area: Energy, Eater, Natural resources, GHG emissions, Harmful emissions, Waste, Physical presence, People, or Drivers.</div></div><div><div>f_d^X</div><div>Is the fitness of the screening and evaluation process applied to the purchase decision for good or service d.</div></div><div><div>C_d</div><div>Is the total cost (dollar amount spent) during the reporting period on good or service d.</div></div><div><div>D</div><div>is the total number of purchase decisions made during the reporting period.</div></div></div></div><p>This is an example of the type of quantitative reporting you can expect to see from us annually moving forward.</p></div>								
												<div><div>Our Approach in Action</div><div><p>The nature of our business puts TAS at the centre of multiple supply chains and communities, making BE04: Procurement highly important for us but also challenging to achieve.</p><p>A significant portion of our impact is generated indirectly via the products and services we use. Procurement touches every aspect of our business – from IT equipment and office supplies, to building materials and service providers, such as design consultants and contractors. The list is extensive, and we are determined to work through each and every purchasing decision systematically to identify key issues and solutions to ensure our supply chain is Future-Fit aligned. Detailed assessments grounded in the Future-Fit Action Guide will be conducted in nine areas: Energy, Water, Natural Resources, GHGs, Other Harmful Emissions, Waste, Physical Presence, People and Drivers. For example, we will ensure living wages</p></div></div>					
<div><div>SDG Alignment</div><div><p>The Benchmark has considered all 17 of the UN’s Sustainable Development Goals.</p><div><div><div><div><div>1</div><div>NO POVERTY</div><div></div></div></div><div><div><div>2</div><div>ZERO HUNGER</div><div></div></div><div><div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div><div><div><div>4</div><div>QUALITY EDUCATION</div><div></div></div><div><div><div>5</div><div>GENDER EQUALITY</div><div></div></div><div><div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div></div><div><div><div>7</div><div>AFFORDABLE AND CLEAN ENERGY</div><div></div></div><div><div><div>8</div><div>DECENT WORK AND ECONOMIC GROWTH</div><div></div></div><div><div><div>9</div><div>INDUSTRY, INNOVATION AND INFRASTRUCTURE</div><div></div></div><div><div><div>10</div><div>REDUCED INEQUALITIES</div><div></div></div><div><div><div>11</div><div>SUSTAINABLE CITIES AND COMMUNITIES</div><div></div></div><div><div><div>12</div><div>RESPONSIBLE CONSUMPTION AND PRODUCTION</div><div></div></div></div><div><div><div>13</div><div>CLIMATE ACTION</div><div></div></div><div><div><div>14</div><div>LIFE BELOW WATER</div><div></div></div><div><div><div>15</div><div>LIFE ON LAND</div><div></div></div><div><div><div>16</div><div>PEACE, JUSTICE AND STRONG INSTITUTIONS</div><div></div></div><div><div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div><div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div></div>						OUR APPROACH		IT STARTS WITH US		TACKLING CLIMATE CHANGE		BROADENING AFFORDABILITY & EQUITY		BUILDING SOCIAL CAPITAL		9	

Tackling Climate Change





Scale of the Problem

We are living in a global climate crisis. GHG emissions from energy and industry have increased by 60% worldwide since the UN Framework Convention on Climate Change was signed in 1992¹, and experts are starting to acknowledge that the 2015 Paris Agreement target to limit global warming to 1.5 degrees Celsius is slipping out of reach². Locally, emission reductions have flatlined since coal power was phased out of Ontario in 2015 and the City of Toronto is not currently on-track to meet related targets³. Flashfloods and other extreme weather events, warmer winters and blistering summers have become all too common. Ice caps are melting and projected rising water levels threaten to one day engulf coastal cities. Within our own communities, people are crying out and demanding that those in privileged positions of power take action — and do so immediately.

In December 2020, the Canadian government launched a new climate plan to formalize their intent to achieve net-zero emissions by 2050⁴. This ambitious target is a rallying call, challenging businesses across all sectors to step up, innovate and put the collective health of people and the planet above profit. Our shared success will require unprecedented human ingenuity and optimism – silver-lining concepts that the global COVID-19 pandemic has helped bring to the fore.

According to the Internal Energy Agency, the real estate industry is the worst perpetrator. Building construction and operations made up 39%, and the largest share, of global energy-related carbon emissions in 2018 – with 28% generated by operational emissions and the remaining 11% from embodied emissions associated with materials and construction⁵. Locally, buildings are the largest source of GHG emissions in the GTHA at 42%, and their negative contributions are increasing at a faster rate than in any other major sector⁶.

And so, our industry has a major role to play in protecting our communities and ensuring the collective health of people and the planet by reaching net-zero emissions by 2050. The challenge is great – and at TAS, we’re committed to contribute and to help lead the charge. The innovations we will deliver through our projects will not only be good for the planet, but also our bottom line, by ensuring our work is more resilient to energy price fluctuations and extreme weather events. We are excited to start testing new ideas for carbon neutral projects that can scale across the city, the region and beyond.

Impact Objectives	Key Tools			Initial Actions		
<p>TAS is carbon neutral by 2045.</p>	<p>While many aspects of environmental sustainability require action, TAS will first focus on reducing GHG emissions and making our company and projects carbon neutral – achieved when CO² emissions are balanced by CO² removal. These emissions will be calculated on a life-cycle basis – for example, the supply chain of building materials will be included.</p> <p>We will achieve carbon neutrality through:</p> <div><div>1</div>GHG emissions measurement, with a commitment to data transparency to encourage the adoption of benchmarks and help build capacity within our industry;</div> <div><div>2</div>Embodied and operating GHG emission reduction through:<div><div>A</div>Renewable energy and energy efficient technologies</div><div><div>B</div>Innovative building materials that contain lower levels of embodied carbon, e.g., timber, low carbon cement, etc.</div><div><div>C</div>Detailed Life Cycle Assessments in alignment with Canada Green Building Council’s Zero Carbon Building Standards⁷;</div></div> <div><div>3</div>High-quality carbon offsets where emissions cannot be avoided;</div> <div><div>4</div>Secondary tactics such as:<div><div>A</div>Effective waste management</div><div><div>B</div>Restorative, active and resilient landscaping</div><div><div>C</div>Active transportation infrastructure;</div></div> <div><div>5</div>Strategic partnerships with aligned suppliers and service providers.</div>			<div><div>1</div>Corporate operations and the spaces we manage within stabilized operating assets will be carbon neutral by 2024 – this may include offsets where emissions cannot currently be avoided.</div> <div><div>2</div>Deliver at least one carbon neutral asset repositioning project by 2025.</div> <div><div>3</div>Deliver at least one carbon neutral ground-up development project by 2030, including operating and embodied carbon.</div> <p>We will work towards these goals by setting focused objectives for specific projects and functional teams over the course of the next year. We have identified 880 Eastern Avenue and our master-planned site at 2 Tecumseth Street as key opportunities to learn and to advance our impact. We are currently expanding our asset repositioning and management business in part to help our industry explore methods of achieving carbon neutrality. We see a tremendous opportunity to accelerate our impact by repurposing existing post-industrial brick and beam buildings using green technologies. These projects can be delivered faster than our ground-up developments and we can apply our learnings to future projects across our portfolio.</p>		
<p>SDG Alignment</p> <div><div><div>7</div>AFFORDABLE AND CLEAN ENERGY</div><div><div>11</div>SUSTAINABLE CITIES AND COMMUNITIES</div><div><div>13</div>CLIMATE ACTION</div></div>						
						
		OUR APPROACH	IT STARTS WITH US	TACKLING CLIMATE CHANGE	BROADENING AFFORDABILITY & EQUITY	BUILDING SOCIAL CAPITAL
						11

2 Tecumseth

Q2-2021 STATUS: IN DEVELOPMENT

To prioritize sustainability at our master-planned site in Toronto’s South Niagara Neighbourhood, we are:

- 1 Establishing and managing a geothermal district energy system together with Creative Energy that provides cost-effective, reliable low-carbon energy to buildings within and beyond our site;
- 2 Exploring energy recovery strategies and green building materials such as mass-timber and LEED certifications;
- 3 Restoring and reimagining an active and resilient landscape that echoes the now buried Garrison Creek;
- 4 Promoting the use of higher-order transit and active transportation through bike and walking paths, while providing 2.5 times more bicycle parking than vehicle parking.

As part of our commitment, we have partnered with Just Be Woodsy – a company that transforms salvaged trees from Toronto into functional objects. Since joining TAS onsite in 2016, the project has sequestered over 400 tonnes of CO² – the equivalent of almost 100 vehicles off the road.



Broadening Affordability & Equity



Scale of the Problem

The cost of living is rising and many people are getting priced out of the neighbourhoods where they live and work.

On the residential side, housing affordability in Canada worsened dramatically in the first quarter of 2021, marking the sharpest deterioration since Q4-2018⁸. And yet, home ownership is inaccessible to most. Between 2007 and 2017, Canadian housing prices increased by 69% while median incomes only rose by 28%. The annual income required to purchase a home in Toronto in 2019 was \$183,592, and a condominium was \$125,202⁹. Meanwhile, half of the households in Toronto made less than the median income of \$65,829¹⁰. In the GTA, it now takes ten times the average household income to buy the average home¹¹ and as a result, nearly half of those under 40 have given up on the possibility of ownership¹². Unsurprisingly, systemic social inequity and social barriers are significant factors at play here too, for example, Black households lag behind in home ownership rates across Canada¹³.

With so many priced out of home ownership, renting is the only option. According to the most recent 2016 census, 47% of private households in Toronto are rentals, and of those, 47% were spending 30% or more of their income on shelter¹⁴. Many more than the 15% of households currently living in subsidized housing require support¹⁵ – for example, there are currently 78,683 applications on the wait list for subsidized housing administered by the City of Toronto¹⁶. The economic impacts of the COVID-19 pandemic have worsened the situation.

And there’s a parallel story on the commercial side.

According to a recent CBRE Report, Toronto is part of the Top-10 tightest downtown and industrial markets in North America¹⁷. The global COVID-19 pandemic has exacerbated these challenging market conditions, as evidenced by the for lease and sale signs commonly found along main streets today. These conditions have had an even greater impact on small businesses, social enterprises and not-for-profits. Rising costs have created an affordability crisis and displacement, with many pushed to the margins and forced to make do in spaces not equipped to meet their needs. Shared resources and spaces have been shown to help improve effectiveness, cost savings and stability for these community-serving groups. However, real estate is typically not a core competency – nor should it have to be¹⁸.

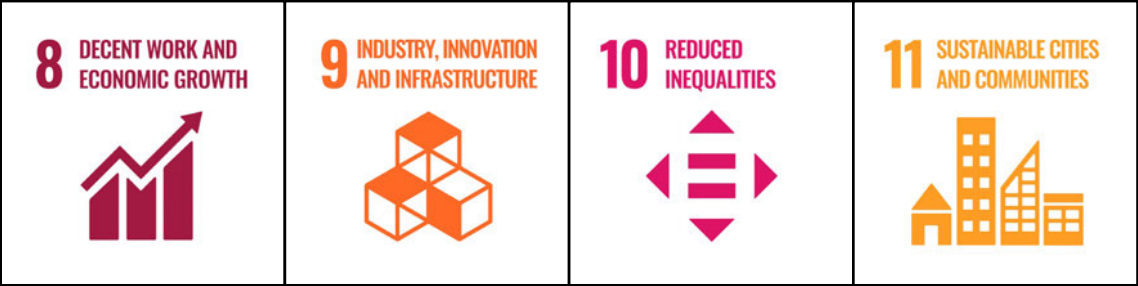
Affordability is one aspect of the problem; however, we believe that equity and value creation are also at the root. Real estate generates a tremendous amount of wealth, yet this financial uplift is concentrated in the hands of industry ownership and those with enough personal wealth to invest in the sector. Simply put, the system is imbalanced. Tenants should have the opportunity to share in the value they help create.

At TAS we will do our part, but we can’t solve this national crisis alone. We hope that this statement of purpose and the shared learnings from our journey will inspire like-minded partners – from the GTHA and beyond – to join our mission. Together, we can advance related models and solutions to create a flourishing shared future for all.

Impact Objectives

Develop and implement solutions that address the growing affordability gap and the lack of equity creation opportunities across residential and commercial spaces within our portfolios.

SDG Alignment



Key Tools

We will broaden affordability and equity through our ground-up developments and growing portfolio Commercial Community Hubs through:

- 1 Residential
 - A Affordable purpose-built rental of 80% average market rent (AMR) generally, with lower deeply affordable rates on select projects;
 - B Attainable housing that bridges the gap between affordable and market rates, i.e. in the 80%-120% AMR range;
 - C Rent-to-own, second mortgage and other equity participation models.
- 2 Commercial
 - A Below-market commercial leases for qualifying tenants;
 - B Shared ownership, fractional ownership and other equity participation models.
- 3 Strategic partnerships with governments, affordable housing and ownership providers, charitable foundations, impact investors, community-oriented not-for-profits and social enterprises.

Initial Actions

Expand affordable residential rental and ownership opportunities significantly:

- 1 Have an affordable and/or tenant equity component to at least 10% of the residential spaces within our portfolio by 2030.
- 2 Seek to develop one of the City of Toronto and CreateTO Housing Now sites.
- 3 Develop multi-project partnerships with affordable housing providers.

Break new ground on the commercial side through wealth and equity sharing:

- 1 Have an affordable and/or tenant equity component to at least 10% of the commercial space within our portfolios by 2025.
- 2 Work with strategic partners to develop new wealth sharing and equity participation models – and during 2022, confirm and announce related partnership models for at least two commercial community hub projects.

We will need to help create new models on the commercial side. While some groups have started establishing shared ownership models for not-for-profits, few have succeeded at doing so at scale. To help create new models, we will need to work with key partners, including (1) impact equity investors and lenders offering sustainable financing, and (2) not-for-profits, social enterprises and small businesses looking for ownership and equity building opportunities.

WoodGreen Partnership

In spring 2021, TAS and WoodGreen Community Services signed a Letter of Intent to work together on several projects. WoodGreen is one of the largest non-municipal providers of affordable housing in Toronto. The organization has a long-standing history of housing operations dating back to the 1960’s. It currently owns, manages and services 12 housing sites, while also providing services at several Toronto Community Housing Corporation housing locations. We are currently exploring a number of partnership models to create affordable housing, vibrant community spaces, and services, that will support people of all incomes, abilities and perspectives.



“When everyone has access to safe and affordable housing, all Torontonians will benefit. As a multi-service organization with 80+ years focusing on affordable housing, employment and services to seniors, families, Indigenous and racialized people, WoodGreen is excited to partner with TAS in advancing its contribution to developing affordable and socially-impactful housing models for the people we serve.”

– ANNE BABCOCK, PRESIDENT AND CEO OF WOODGREEN COMMUNITY SERVICES

Sharing Wealth with #TeamTAS

We “walk the walk” and live our values from within.

We believe that equity anchors resilience and future readiness. And so, starting in 2021 every TAS team member will have the opportunity to earn equity in one of our real estate funds. We are tremendously proud to exemplify our commitment to share wealth with those who help create it – starting from inside our own organization.



Building Social Capital



Scale of the Problem

A 2018 Toronto Foundation report defined social capital as: the vibrancy of social networks and the extent to which there is trust and reciprocity among individuals¹⁹.

At TAS, social capital is at the centre of our project design, development and delivery. The term encompasses what makes neighborhoods great places where families can live, work, learn, thrive and belong. In a great neighbourhood, people connect with each other. They care for each other. And they’re committed to helping each other become more successful and happier. Great neighbourhoods are where people form strong communities. And when neighbourhoods work well, cities work well, too – because neighbourhoods are the essential building blocks of vibrant and thriving cities.

The global COVID-19 pandemic has forced people to spend more time in their neighborhoods than ever before, resulting in various positive effects and inspiring some to act smaller and more local in support of the collective good. But it has also brought to light the various systemic racial, economic and geographic challenges which impede inclusive city- and community-building. In summer 2020, Jay Pitter issued a Call to Courage to Canadian urbanists that included tools and recommendations on how we might start taking collective action through an equity-based, intersectional approach to power relations and the socio-spatial dynamics that shape the character of places²⁰. At TAS, we are committed to answering this call, and to use our work to build social capital within and between a diverse range of communities.

There’s a growing field of research and practice demonstrating that social capital, community care and connection are more than feel good, nice-to-haves. In his 2019 book, *The Third Pillar*, Raghuram G. Rajan suggests that strengthening local communities can make the market and governments more stable, effective and just – and that empowering this “third pillar” is critical to ensuring a flourishing shared future for all²¹. We are inspired and motivated by this thinking. There is a significant opportunity to leverage the ways in which we design, program and operate our properties to strengthen communities, and the shared spaces they live, work and connect within.

TAS will lead in this regard by applying the same level of rigour, benchmarking and measurement that we do in all other aspects of our business. We will push beyond anecdotal, narrative case-studies and figure out how to demonstrate that our actions and projects help build social capital, connection and care within communities. And we will do so in a way that builds bridges between traditional developer-centric research conducted in the public domain. We recognize that this mission will require help and support from a broad range of cross-sectoral partners and practitioners. By laying out our ambitions, we aim to inspire others to action. So if you’re interested and have a question or great idea – please get in touch!

Impact Objectives

Build and strengthen social capital within the local neighbourhoods where we deliver projects, with a focus on developing measurement tools that demonstrate tangible improvements on quality of life, access to resources, individual resiliency, community connectedness, trust, care and more.

SDG Alignment

2

ZERO HUNGER

3

GOOD HEALTH AND WELL-BEING

4

QUALITY EDUCATION

6

CLEAN WATER AND SANITATION

10

REDUCED INEQUALITIES

11

SUSTAINABLE CITIES AND COMMUNITIES

17

PARTNERSHIPS FOR THE GOALS

Key Tools

For over a decade, TAS’s place-based approach has put community needs and their potential at the centre of our projects and related engagement practices. We provide a platform for people to contribute and be heard. We actively listen and deliver solutions that meet the needs of people who work and live in the neighbourhoods we serve – today and tomorrow. And because every neighbourhood is different, and every neighbourhood’s needs are different, what we build each time is different too.

To build and strengthen social capital, we will continue expanding this bespoke asset-based approach through:

- 1

Project-by-project Social Capital Strategies that include diversity, equity and inclusion factors.
- 2

Programming plans and partnerships that are directly informed by our learnings, such as community, cultural, social enterprise and small business spaces, urban agriculture programs, and art installations.
- 3

‘Meanwhile uses’ hosted at projects slated for redevelopment that test and respond to the opportunities identified through our Social Capital Strategies, such as community gardens, cultural experiences and below-market leases for community-serving enterprises.
- 4

Strategic partnerships with community-development researchers and practitioners, including academics, charitable foundations, impact investors, not-for-profits and social enterprises.

Our objective requires a methodology to measure the impacts of our community-serving designs and programs – one which currently does not exist. We are committed to developing this measurement tool to help identify social capital indicators related to our TAS projects and the neighbourhoods in which they are located, set performance targets, and track our progress.

Initial Actions

- 1

Rally and mobilize a group of cross-sectoral partners to conduct neighbourhood-level social capital research and to design a related measurement tool in 2022.
- 2

Continue delivering social capital building activities through programmatic plans and partnerships.
- 3

Standardize and implement Social Capital Strategies, including diversity, equity and inclusion factors, for every TAS project by the end of 2022.



299 Campbell

PARTNER: [BENTALLGREENOAK](#)
Q2-2021 STATUS: UNDER CONSTRUCTION, OCCUPANCY EXPECTED MID-JULY 2022

In 2017, TAS facilitated a series of community consultations to help shape project vision and objectives. Related learnings inspired our design and programming plans, including a partnership with the [Toronto Public Library](#) (TPL) to replace an existing undersized branch with a brand-new space that will foster learning and connection.

“Libraries help build social capital and create much-needed opportunities for communities to come together. This partnership with a real estate developer is a first for TPL, and we look forward to working together with TAS to create opportunities for social and civic engagement within the growing Junction Triangle neighbourhood.”

– MOE HOSSEINI-ARA, DIRECTOR, BRANCH OPERATIONS & CUSTOMER EXPERIENCE



2 Tecumseth

Q2-2021 STATUS: IN DEVELOPMENT

In 2016, long before the City of Toronto’s mandated public consultation process began, TAS engaged extensively with 60+ local community members to understand their strengths and aspirations. Those conversations helped shape the project’s vision and inspired key commitments to creative and cultural uses, as well as to urban agriculture. We worked with a series of partners to test these programming ideas as meanwhile uses.

- Hundreds of pounds of herbs and leafy greens have been grown and harvested onsite, used by local neighbours, and donated to local restaurants and social service programs through our partnership with [The Bowery Project](#).
- Urban beekeeping project [Alveole](#) has delivered educational workshops and has harvested ~60 kilos of honey onsite.
- ArtSpin organized extensive installations around the theme of CREATION: DESTRUCTION as part of the City of Toronto’s 2019 [Nuit Blanche](#) all-night art event.
- Our team worked alongside [Wilder](#) to plant and create a one-of-a-kind urban nursery for 400 native oak trees during the winter of 2020/2021.
- Starting in mid-2021, we will host a new kind of contemporary art gallery onsite called [Mayten’s](#) that promotes international and domestic artists, while delivering impactful experiences to the public.



References

1

IEA (2021), Net Zero by 2050, IEA, Paris
<https://www.iea.org/reports/net-zero-by-2050>

2

Carbon Brief. (2019, November 26). UNEP: 1.5C climate target ‘slipping out of reach’. <https://www.carbonbrief.org/unep-1-5c-climate-target-slipping-out-of-reach>

3

Shekarrizfard, M. & Sotes, J. (2021, February). Reality Check: Carbon Emissions Inventory for th Greater Toronto and Hamilton Area 2018. The Atmospheric Fund. <https://taf.ca/wp-content/uploads/2021/02/TAF-RealityCheck-Emissions-Inventory-2018.pdf>

4

Environment and Climate Change Canada. (2020). A Healthy Environment and a Healthy Economy: Canada’s strengthened climate plan to create jobs and support people, communities and the planet. <https://www.canada.ca/en/services/environment/weather/climatechange/climate-plan/climate-plan-overview/healthy-environment-healthy-economy.html>

5

IEA (2019), Global Status Report for Buildings and Construction 2019, IEA, Paris <https://www.iea.org/reports/global-status-report-for-buildings-and-construction-2019>

6

Shekarrizfard, M. & Sotes, J. (2021, February). Reality Check: Carbon Emissions Inventory for th Greater Toronto and Hamilton Area 2018. The Atmospheric Fund. <https://taf.ca/wp-content/uploads/2021/02/TAF-RealityCheck-Emissions-Inventory-2018.pdf>

7

Canada Green Building Council. (2020, March). Zero Carbon Building Standard: Design Standard Version 2. https://www.cagbc.org/cagbcdocs/zerocarbon/v2/CaGBC_Zero_Carbon_Building_Standard_v2_Design.pdf

8

National Bank of Canada. (2021, May 4). Housing Affordability Monitor. <https://www.nbc.ca/content/dam/bnc/en/rates-and-analysis/economic-analysis/housing-affordability.pdf>

9

National Bank of Canada. (2021, May 4). Housing Affordability Monitor. <https://www.nbc.ca/content/dam/bnc/en/rates-and-analysis/economic-analysis/housing-affordability.pdf>

10

Toronto Foundation. (2020). Toronto’s Vital Signs: Growing Pains amid Narrow Gains. <https://www.torontofoundation.ca/wp-content/uploads/2019/10/VitalSigns2019.pdf>

11

Allini, E. (2021, April 10). Here’s how home prices compare to incomes across Canada. Global News. <https://globalnews.ca/news/7740756/home-prices-compared-to-income-across-canada/>

Statistics Canada. (2017, November 29). Toronto, C [Census subdivision], Ontario and Canada [Country] (table). Census Profile. 2016 Census. Retrieved May 31 2020 from <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm?Lang=E>

The Canadian Real Estate Association. (2021). National Price Map. <https://www.crea.ca/housing-market-stats/national-price-map/>

12

Royal Bank of Canada. (2021, April 12). Are Canadians dreaming of owning a home? It’s complicated: RBC Poll. <https://www.newswire.ca/news-releases/are-canadians-dreaming-of-owning-a-home-it-s-complicated-rbc-poll-867206771.html>

13

Haan, M. (2007, June 5). The Homeownership Hierarchies of Canada and the United States: The Housing Patterns of White and Non-White Immigrants of the Past Thirty Years. International Migration Review, 41:2. pp. 433-465.

Gyimah, S.O., David, W. & Phythian, K.L. (2005). Ethnicity, Immigration and Housing Wealth in Toronto. Canadian Journal of Urban Research, 14:2. pp. 338-363.

14

Statistics Canada. (2017, November 29). Toronto, C [Census subdivision], Ontario and Canada [Country] (table). Census Profile. 2016 Census. Retrieved May 31 2020 from <https://www12.statcan.gc.ca/census-recensement/2016/dp-pd/prof/index.cfm?Lang=E>

15

Statistics Canada. (2017, November 29). Toronto, C[Census subdivision], Ontario and Canada [Country] (table). Census Profile. 2016 Census. Retrieved May 30 2021 from <https://www12.statcan.gc.ca/censusrecensement/2016/dp-pd/prof/index.cfm?Lang=E>

16

City of Toronto. (2021). Social Housing Waiting List Reports. Retrieved May 30 2021 from <https://www.toronto.ca/city-government/data-research-maps/research-reports/housing-and-homelessness-research-and-reports/social-housing-waiting-list-reports/>

17

CBRE. (2020). Real Estate Market Outlook 2020 Canada. https://www.cbre.ca/-/media/cbre/countrycanada/services/vashotels/2020-canada-market-outlook_english.pdf

18

Brotsky, C., Eisinger, S.M. & Vinokur-Kaplan, D. (2019, September 17). An Office Space of One’s Own. Stanford Social Innovation Review. https://ssir.org/books/excerpts/entry/an_office_space_of_ones_own

19

Toronto Foundation. (2018). Toronto Social Capital Study 2018. <https://torontofoundation.ca/wp-content/uploads/2018/11/TF-SocialCapitalStudy-Final-Clean-min.pdf>
NOTE: TAS helped fund the report.

20

Pitter, J. (2020, June). A Call to Courage: An Open Letter to Canadian Urbanists. <https://canurb.org/wp-content/uploads/OpenLetter-ACallToCourage-Final-June2020.pdf>

21

Raghuram, R. (2020). The Third Pillar: How Markets and the State Leave the Community Behind. Penguin Books.

→

Graphic on page 4 is adapted from Future Fit Foundation. (2019, April). Figure 3.3: Rethinking value creation through a systems lens. Methodology Guide: Release 2.1., pp. 12.

Join us by visiting tasdesignbuild.com
and follow our journey on [LinkedIn](#),
[Instagram](#), and [Twitter](#).

