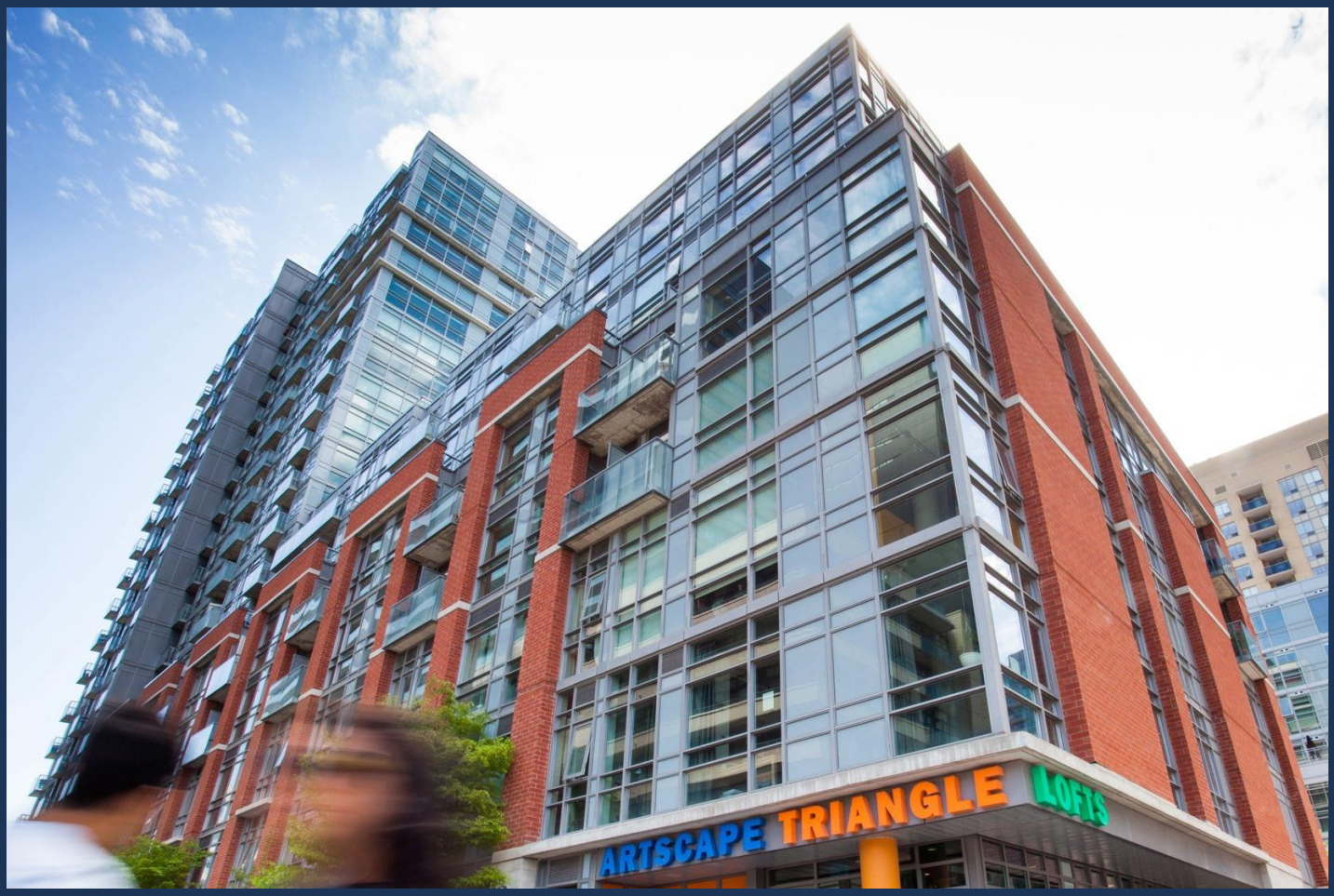
Lead Organizations
Artscape

Location
Toronto

Tenure
Rental & Ownership

Project Stage
Occupied



ARTSCAPE TRIANGLE LOFTS

A Toronto-based non-profit that creates affordable space for artists and creative communities through partnerships in real estate development, housing, and community-building. Its projects bring together public, private, and community partners to create affordable live/work spaces and vibrant, inclusive neighborhoods.

Portfolio of Artscape Projects

- Artscape Triangle Lofts
- Artscape Lofts at PACE
- Artscape West Queen West
- Artscape Lofts at Waterworks

CASE FILE 05: ARTSCAPE

THE CHALLENGE

By the mid-2000s, Toronto's West Queen West had become a major creative district, but its success was driving redevelopment and rising land values. In 2004, the Queen West Triangle was designated for regeneration, opening industrial lands to intensification. Developers proposed major condominium projects, including the redevelopment of 48 Abell Street, a former industrial building with an estimated 60-100 artist live/work spaces. By 2005, approximately 31% of local employment was tied to creative enterprise. These proposals sparked tensions over artist displacement, loss of employment space, and the neighborhood's changing character. Community group Active 18 supported greater density, but argued that growth should also provide better design, public amenities, and space for the creative community. The challenge was not to stop redevelopment, but to capture some of the value it created to retain the people and economic activity that made the neighborhood desirable.

SUCCESS FROM THE FIELD

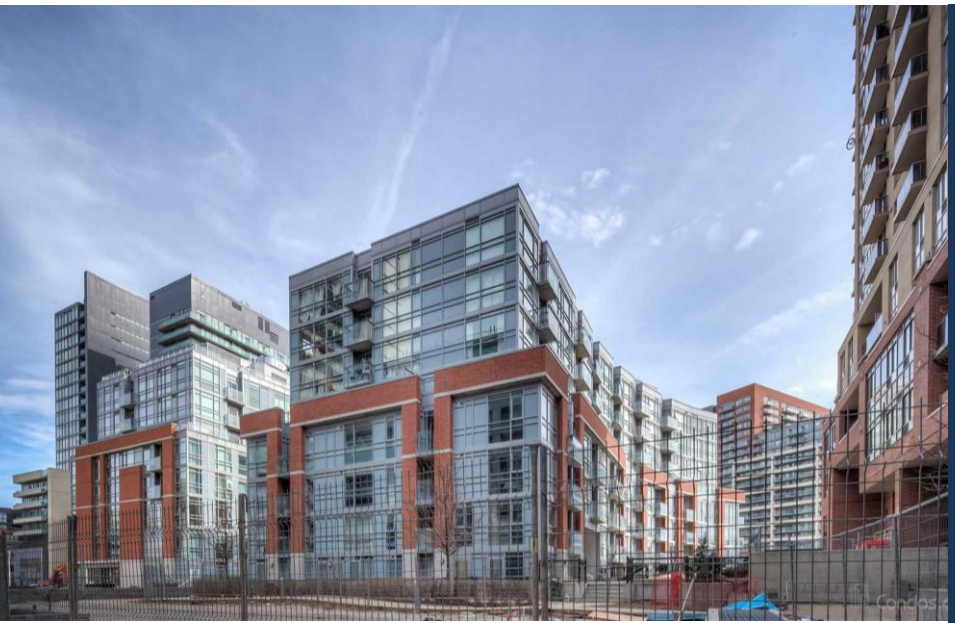


THE RESPONSE

Artscape stepped in as a convenor and intermediary, bringing Urbancorp/Landmark Development and Active 18 together to negotiate a solution that could accommodate both development and the needs of the creative community.

The resulting agreement created an innovative value-exchange model through a former Section 37 density-bonusing agreement. The City allowed approximately 56,000 additional square feet of density—about three extra floors—in exchange for Artscape purchasing roughly the same amount of space at construction cost. This allowed the project to capture some of the value created through increased density and redirect it toward affordable artist space.

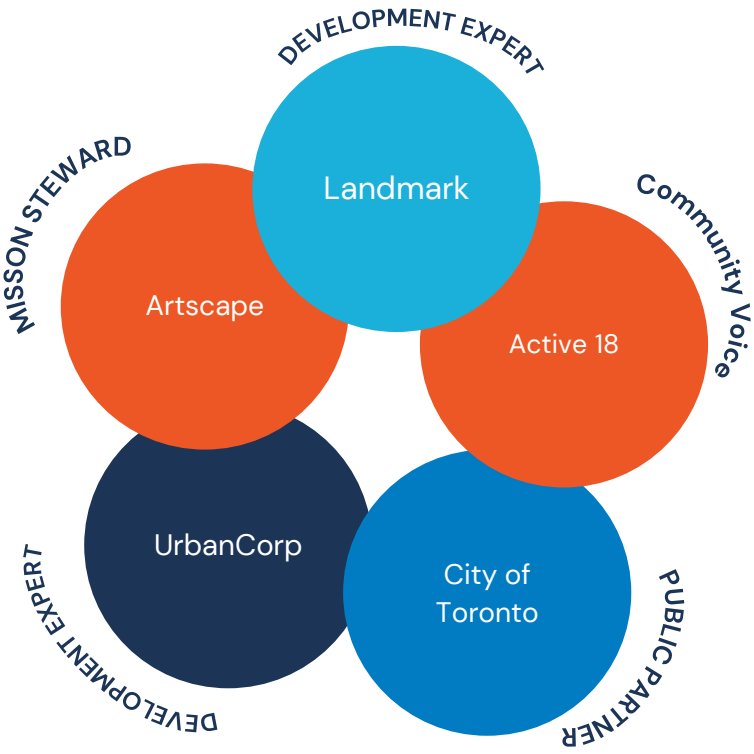
The completed Artscape Triangle Lofts provided 68 artist live/work units and a ground-floor community gallery, with 48 units sold through an affordable ownership model and 20 retained as affordable rentals.

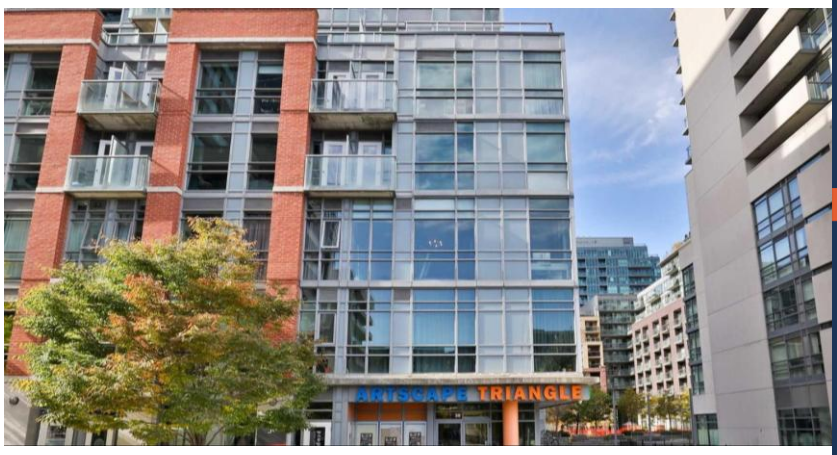


AFFORDABILITY MODEL

- Units are reserved for professional artists and artist-led households, with income eligibility requirements.
- Ownership buyers received a 25% no-interest, no-payment second mortgage, while Artscape retained an interest in future appreciation and managed resale to help preserve affordability over time.
- Revenue from the ownership units helped support the rental component, with rents set at 80% of CMHC average market rent.

PARTNERS IN THE FIELD





WATCH POINT

The model is highly relevant, but the original planning mechanism cannot be easily replicated today. Artscape Triangle Lofts relied heavily on Toronto's former Section 37 density-bonusing system, where additional height or density could be negotiated in exchange for community benefits. Toronto's current framework is now a Community Benefits Charge (CBC) system, which operates differently. For contemporary workforce housing, the lesson is therefore less about recreating the precise Section 37 transaction and more about asking: what government investment or policy tools—through land, density, approvals, fees, financing, or other mechanisms—can help catalyze developments like these and convert public value into permanently affordable housing?

OPTIMAL PARTNERSHIP CONFIGURATION

Mission steward: Artscape

Brokered the agreement, structured the affordable ownership and rental components, and took on long-term stewardship and property management.

Development experts: UrbanCorp & Landmark

Developed the project and sold Artscape space at construction cost in exchange for additional development permissions.

Public partners: City of Toronto

Enabled the project through additional density, waived development charges, and property-tax relief tied to affordability.

Community Voice: Active 18

Advocated for growth that retained employment space, creative uses, public amenities, and neighbourhood character.

INTEL FOR COMMAND CENTRAL

Artscape Triangle Lofts demonstrates how development value can be intentionally redirected toward housing affordability when the public, private, and community sectors align around a shared outcome.

- Affordability needs to survive resale in affordable owners**.** The second-mortgage, resale, and appreciation-sharing structure prevented the initial subsidy from disappearing when an owner sold their home.
- A mission-driven intermediary can make complex partnerships work. Artscape connected the interests of the developer, government, and community and then remained involved as long-term steward.
- Targeted workforce housing can be designed around eligibility. Occupation and income requirements ensured that the housing reached the creative workers the project was intended to retain.

SOURCES

Toronto Artscape Inc. (2018), *Artscape Triangle Lofts: Case Study.*

Artscape. (2021). Artscape Triangle Lofts

Current policy context: City of Toronto, *Section 37 Community Benefits Charge*, describing the current CBC framework and former density-bonusing system.

> *This project forced us to answer questions such as: how do you diversify your revenue streams in a capital project? And what other groups can you bring in to help you achieve your goals, and what do you lose when you do that … With the Artscape Triangle Lofts, Artscape gave up a certain amount of control to the new owners. This forces the owners to take more responsibility for the operation of the building, which was an unexpected benefit, and a challenge."*
>
> - Celia Smith, President, Artscape (2008-2016)

