

## City Council Report

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**REPORT NUMBER** 029-2026-Growth-Development Services-Realty Services

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**DATE**

**PREPARED**

December 23, 2025

**FILE**

25 504394

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**CITY COUNCIL  
MEETING DATE**

January 13, 2026

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**SUBJECT**

Surplus Declaration - Call for Proposals – 4 Opportunity Sites

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### **RECOMMENDATION TO CITY COUNCIL**

WITH RESPECT to Report 29-2026 we recommend that the City's interest in the vacant property, being PCL BLOCK-1 SEC M325; BLK L PL M325 MCINTYRE; THUNDER BAY (B25), municipally known as 144 Fanshaw Street, be declared surplus to the City's requirements pursuant to the City's policies and be designated as an area of site plan control;

AND THAT the City's interest in the vacant property, being PT LT 4, CON A, BEING PT OF PTS 1, 2, & 3 55R-10186, PT OF PICTON AVENUE PL M37 BEING PTS 7 & 8 55R-9082 CLOSED BY LT135107, LTS 81-107 PL M37, LTS 113 – 125 PL M37, PT LT 108 PL M37 EXCEPT PT 13 55R-9082, PT LT 109 PL M37 EXCEPT PT 12 55R-9082, PT LTS 110 & 111 PL M37 EXCEPT PT 11 55R-9082, PT LT 112 PL M37 EXCEPT PT 10 55R-9082, PT OF JUNOT AVENUE PL M37, BEING PTS 5, 6 & 13 55R-2984 CLOSED BY LT135107, PT OF PICTON AVE PL M37, BEING PT 2 55R-2984 PT LT 112 PL M37 EXCEPT PT 10 55R-9082, PT OF JUNOT AVENUE PL M37, BEING PTS 5, 6 & 13 55R-2984 CLOSED BY LT135107, PT OF PICTON AVE PL M37, BEING PT 2 55R-2984 CLOSED BY LT135107, PT OF TOKIO STREET PL M37, BEING PT OF PT 14 55R-2984 CLOSED BY LT135107, PT OF TOKIO STREET PL M37, BEING PT OF PT 15 55R-2984 CLOSED BY F53897, PT OF LANES PL M37, BEING PTS 3 & 4 55R-2984 CLOSED BY LT135107, PT OF JUNOT AVENUE PL M37, BEING PT 12 55R-2984 CLOSED BY F53897; CITY OF THUNDER BAY (D79), municipally known as 300 Tokio Street be declared surplus to the City's requirements pursuant to the City's policies and be designated as an area of site plan control;

AND THAT the City's interest in the vacant property, being PT LT 2 N/S CAMERON ST PL PRINCE ARTHUR'S LANDING MCINTYRE AS IN TBR395999 EXCEPT ROW THEREIN; THUNDER BAY, PT LT 2 N/S CAMERON ST PL PRINCE ARTHUR'S LANDING MCINTYRE PT 1 & 2, 55R4011; THUNDER BAY, PT LT 3 N/S CAMERON ST PL PRINCE ARTHUR'S LANDING MCINTYRE AS IN TBR308776; THUNDER BAY, PT LT 3 N/S CAMERON ST PL PRINCE ARTHUR'S LANDING MCINTYRE AS IN TBR245426 & TBR264692; THUNDER BAY (E103), municipally known as 211-223 Tupper Street & 224

Camelot Street, be declared surplus to the City's requirements pursuant to the City's policies and be designated as an area of site plan control;

AND THAT the City's interest in the vacant property, being PT LT C, PL PA59, S OF ARUNDEL ST, E OF 55R3639 EXCEPT PL 818; THUNDER BAY (E104), municipally known as 791 Arundel Street, be declared surplus to the City's requirements pursuant to the City's policies and be designated as an area of site plan control;

AND THAT any necessary by-laws be presented to City Council for ratification.

## ***EXECUTIVE SUMMARY***

The City of Thunder Bay continues to make meaningful progress in expanding its housing supply and reaching its early goals for the Housing Accelerator Fund Program (HAF). To sustain this momentum and advance broader smart growth objectives, it is important to increase the supply of high-potential infill lands ready for development. Additional housing is urgently required to address the current demand and improve affordability.

In response to this need, the City issued a "Call for Proposals" identifying ten (10) high-potential opportunity sites and invited proposals that align with the City's development vision for smart, sustainable, and inclusive growth. Several promising proposals were received, demonstrating strong interest and confidence in the City's direction. Together, the leading proposals represent the potential for over 1,000 new units.

In accordance with Council's policies, Administration issued public notice of the intent to declare four (4) opportunity sites, being 144 Fanshaw Street, 300 Tokio Street, 211-223 Tupper Street & 224 Camelot Street, and 791 Arundel Street (the "**Opportunity Sites**"), as surplus. Public input was summarized and provided to the Standing Committee-Growth through Report 387-2025- *Growth- Development Services- Realty Services*. Ten (10) deputations were heard outlining support or site-specific concerns.

According to survey results, there is general public support to develop these sites for new housing development, with most site-specific concerns raised by neighbouring residents. Neighbourhood feedback focused largely on scale of development, loss of greenspace, and neighbourhood fit. Proponents have made some initial adjustments to the conceptual proposals based on this feedback, including reducing the proposal for 791 Arundel Street from 600 units to 400 units. The conceptual development proposals would continue to be refined with the proponents through upcoming sale negotiations and planning and development applications; including through site plan control.

This report recommends that Council declare the Opportunity Sites surplus for potential future residential development. This recommendation is endorsed by the Standing Committee-Growth and the Mayor's Task Force on Building More Homes. Declaring the lands surplus does not approve any specific density, layout, or design. It enables Administration to begin more detailed discussions and negotiations with the proponents.

If Council declares the lands surplus, Administration will work with the proponents to further refine the concepts based on key themes raised through the consultation, including neighbourhood compatibility, scale, and site layout. Preliminary adjustments based on these key themes have already been integrated into revised concepts which are included in this report. Administration will negotiate agreements of purchase and sale for Council's approval. For 144 Fanshaw Street and 791 Arundel Street, rezoning will also be required, providing an additional public process and further opportunities for public input.

Developing the Opportunity Sites will make a meaningful contribution to addressing Thunder Bay's housing shortage by increasing the supply of homes across a range of affordability levels. These homes will support diverse needs, including residents who wish to age in place, new families and newcomers, and individuals moving along the housing continuum.

## ***DISCUSSION***

On June 2, 2025, the City of Thunder Bay issued a Call for Proposals which invited development proposals for ten infill opportunity sites to advance housing, growth and sustainability goals. This approach proactively makes public lands available for development. Focusing on strategic infill opportunities supports the City's readiness for growth, encourages complete and compact communities, and provides additional information on the intended use of the surplus lands.

The response to the Call for Proposals was strong, with more than a dozen submissions received for six (6) of the ten (10) properties, with several attracting multiple proposals. High scoring proposals were identified for the Opportunity Sites. Administration has provided surplus declaration notice to advance the potential development of the following sites:

- 300 Tokio Street
- 144 Fanshaw Street
- 791 Arundel Street
- 211-223 Tupper Street & 224 Camelot Street

Developing these sites would significantly expand housing options across a range of affordability levels. Should the lands be declared surplus, development milestones would be negotiated as part of the sale process to reflect the planned timing of each development.

On November 19<sup>th</sup>, the intent to surplus the Opportunity Sites and conceptual development proposals were presented and, subject to refinement, were endorsed by the Mayor's Taskforce on Building More Homes. The Mayor's Taskforce will continue to be engaged as the conceptual development proposals are refined.

On December 1<sup>st</sup>, the Standing Committee-Growth endorsed Administration's recommendation that the Opportunity Sites be declared surplus to support significant housing

development. Comments made by the Committee are summarized in the Consultation Section of this report.

### **Next Steps**

Should Council declare the lands surplus, negotiated agreements of purchase and sale for each property will require Council approval. Administration will continue to work with the proponents to refine the conceptual development proposals considering the feedback received by the neighbourhoods, the Mayor's Task Force, the Standing Committee and Council. Pre-development studies such as traffic, geotechnical and servicing studies will be completed in addition to the environmental site assessment, environmental impact assessment, and functional servicing studies previously completed. Compliance with study recommendations, preferred site layout, and alignment with the urban design guidelines and development regulations will be ensured through Site Plan Control Agreements. For 144 Fanshaw Street and 791 Arundel Street, rezoning is required, which provides an additional public process and invites public feedback through a Public Meeting of Council.

### ***CONSULTATION***

In late October and early November, public notice was provided of the intent to surplus the four Opportunity Sites and public feedback was invited. Signs were posted at each property including direction to the City's website where additional information was available including preliminary renderings of the conceptual proposals. Residents within 100 m of each property were mailed a notification letter that provided information and invited questions and feedback.

Specific opportunities to speak directly to City staff were provided at the Current River Ward meeting on November 5, 2025, and at two (2) open houses held on November 19, 2025. Additionally, to facilitate further public engagement, a survey was launched on the City's Get Involved page on November 12<sup>th</sup>.

The consultation generated public engagement, with responses from 89 individuals received as a result of the neighbourhood notices and 142 survey responses received. Responses ranged from general support for increased housing and density to site-specific concerns from neighbourhood residents.

Public input was collected until November 21, 2025, and is summarized as follows and further detailed in the attached Fact Sheets for each property. Since the period for public feedback concluded, Administration has received several additional comments from the public that are similar to the concerns previously expressed.

### **Broader Public Comments**

The broader public response was largely positive, with remarks highlighting the initiative's potential to expand housing, revitalize underutilized municipal lands, and strengthen the local

economy. The City's proactive efforts to accelerate the construction of new multi-unit homes to address Thunder Bay's housing shortage is acknowledged.

The survey results from the City's Get Involved page are presented in Attachment "M".

Written responses were received regarding the potential surplus of 300 Tokio St. (3), 144 Fanshaw St. (34) and 791 Arundel St. (54). No written responses were received regarding 211-223 Tupper St. & 224 Camelot St.

Concerns raised included the impact on recreational trails/greenspace, wildlife displacement, traffic congestion and safety, development density, limited infrastructure capacity, loss of privacy/increased noise, impact to property values and decreased neighbourhood safety. Eight (8) letters expressing support were received by residents.

Where applicable, concerns were addressed directly with the residents, by providing additional information about development processes. Concerns such as development scale, traffic, infrastructure capacity and landscape buffers etc., will be considered as a part of the development approval process. Administration is recommending that all Opportunity Sites be designated as an area of site plan control and any required pre-development studies would be undertaken prior to development.

Additionally, 144 Fanshaw Street and 791 Arundel Street require rezoning to facilitate the proposed conceptual developments. Rezoning is a public process which provides further opportunity for public feedback and an additional opportunity to address scale of development and compatibility with the surrounding neighbourhood.

#### Feedback from Standing Committee-Growth

On December 1, 2025, the Standing Committee–Growth considered Report 387-2025 *Surplus Declaration – Call for Proposals - 4 Opportunity Sites* as well as ten (10) verbal deputations and one (1) written deputation, being one (1) in support and ten (10) against the surplus of specific properties. Some of the deputants were opposed to any development of a particular property while others were concerned with certain aspects of the proposed development, such as scale, density and layout.

While considering Administration's Report and the deputations, the members of the Standing Committee-Growth provided comments about the proposed surplus of the Opportunity Sites, including:

- That natural buffers be maintained where possible to reduce noise pollution and loss of privacy for neighbouring residents;
- Concerns about the involvement of the Ministry of Transportation at the intersection of Highway 11/17 and John St. and the potential impacts on the proposed development at 300 Tokio St.;
- The suggestion to integrate commercial amenities into residential developments to support efforts to create complete and walkable neighbourhoods;

- Concerns were expressed about the impacts of increased traffic resulting from the proposed developments;
- Questions regarding the practicality of large buildings at the Tokio and Fanshaw sites due to potential muskeg at these sites;
- A suggestion that a property should be developed for single detached dwellings;
- Questions about the development feasibility should the density of the proposed developments be reduced;
- The amount of greenspace/parkland that the City of Thunder Bay provides relative to other comparable municipalities; and
- Apparent consensus that the proposed 600 units at 791 Arundel Street was too large.

Administration's assessment is that all of these comments and concerns can be addressed through upcoming planning and development approval processes. With respect to utilizing the Opportunity Sites for single detached dwellings, Administration notes that the purpose of the Call for Proposals initiative is to increase the supply of shovel ready sites for greater density multi-residential development. For example, the Arundel site could support approximately 55 single detached dwellings where 400 units are currently being proposed (a reduction from the initially proposed 600 units).

The Committee voted separately regarding the endorsement to surplus individual Opportunity Sites. The surplus endorsement passed for all sites.

Considering the feedback from the Standing Committee-Growth and the residents, the potential developer for Arundel St., Fanshaw St. and Tokio St. has adjusted the development proposals as further detailed in the attached memo (Attachment N). A summary of these changes is as follows:

- Increased setbacks from all property lines
- Increased buffering/naturalization to maintain privacy and decrease noise pollution
- Reduction in building scale and units on Fanshaw St. and Arundel St. sites
- Integration of architectural features to reduce the perceived impact of larger buildings
- Greater integration with trail networks

### ***FINANCIAL IMPLICATION***

There are no direct financial implications associated with this report.

The surplus declaration and sale of the Opportunity Sites would, however, support long-term economic benefits through an estimated at \$2-3 million in land sale revenue, approximately \$400 million in construction investment and estimated new annual property tax assessment growth of \$1.4 to \$2.8 million.

## **BACKGROUND**

On December 1, 2025 Administration presented Report *387-2025 Surplus Declaration – Call for Proposals - 4 Opportunity Sites* to the Standing Committee-Growth recommending the Committee's endorsement to Council that the Opportunity Sites be declared surplus to support significant residential development.

At the October 28, 2025 meeting of the Standing Committee-Growth, Administration presented Report *330-2025 Call for Proposals Update*, which provided an update to the Committee on the result of the Call for Proposals and set out the next steps that would be taken by Administration. The report identified that successful proposals had been received on four (4) of the ten (10) sites which could collectively deliver approximately 1,385 new housing units, 709 of which are targeted to be permitted prior to the end of 2026, directly contributing to meeting the HAF target as well as providing sustained economic benefits to the City.

Subsequent to Report *330-2025 Call for Proposals Update*, Administration provided notice to the public of the intent to declare the four (4) Opportunity Sites as surplus and received questions and comments from the public related to the proposed conceptual developments. A higher level of public engagement was also undertaken with opportunities to speak directly with City staff provided at two (2) open houses as well as a Get Involved survey on the City's website.

The Call for Proposals was issued in June 2025. The public was invited to submit development proposals on the ten (10) sites. Many exciting proposals were received that will help to accelerate the housing supply while enabling economic growth. Proposals were evaluated based on alignment with housing and growth objectives, developer capacity and track record and addressing community and neighbourhood need.

On October 9, 2024, the ten (10) potential opportunity sites were presented to the Development Community at the Build Thunder Bay Stakeholder Roundtable chaired by the City Manager.

On July 24, 2023, City Council approved Report 203-2023 (Development Services) "Application to 2023 Federal Housing Accelerator Fund" recommended a Housing Accelerator Action Plan and authorized the submission of the Housing Accelerator Fund application. The approved Housing Accelerator Action Plan outlines the City's initiatives to increase the supply of housing with funding from the federal government. A fundamental item within the approved Housing Accelerator Action Plan is to identify City owned lands to declare as surplus and sell to support housing. On February 29, 2024, the federal government announced that the City of Thunder Bay was successful in its application and awarded up to \$20.7M in Housing Accelerator Funding.

On March 6, 2023, Council directed Administration to bring forward City-owned lands, including parkland, available for surplus and sale and that Administration provide recommendations on the top potential parcels of land that would bring the City the highest financial benefit.

Since Council has provided this direction, Administration has brought forward a number of reports recommending surplus declarations for residential development. To date, 14 properties have been successfully declared as surplus, 9 of which have been sold, and permits have been issued on 4 properties with a total of 53 units permitted or proposed. All of the previously surplus properties have been of modest size and zoned as Urban Low-Rise, meaning they have limited potential for larger scale residential or mixed-use development. At related Council meetings, Council members requested that Administration bring forward larger, more impactful properties for development.

***REFERENCE MATERIAL ATTACHED***

- A. Fact Sheet – 144 Fanshaw St.(B25)
- B. Property Map- 144 Fanshaw St. (B25)
- C. Concept & Site Plan – 144 Fanshaw St.
- D. Fact Sheet – 300 Tokio St. (D79)
- E. Property Map- 300 Tokio St. (D79)
- F. Concept & Site Plan – 300 Tokio St.
- G. Fact Sheet – 211-223 Tupper St. & 224 Camelot St. (E103)
- H. Property Map- 211-223 Tupper St. & 224 Camelot St. (E103)
- I. Concept – 211-223 Tupper St. & 224 Camelot St.
- J. Fact Sheet – 791 Arundel St. (E104)
- K. Property Map- 791 Arundel St. (E104)
- L. Concept & Site Plan – 791 Arundel St.
- M. Get Involved Survey Results
- N. Memo re: Addressing Feedback

***REPORT PREPARED BY***

Mariah Maunula, Property Agent – Realty Services

***REPORT SIGNED AND VERIFIED BY***

Kerri Marshall, Commissioner – Growth

Date (01/07/2026)