

January 23, 2017

Executive Committee Clerk  
Toronto City Hall  
100 Queen Street West  
Toronto, ON M5H 2N2

## **Re: Item EX30.5: Tax Policy Tools to Support Businesses**

Dear Members of the Executive Committee,

Downtown Yonge Business Improvement Area (DYBIA) is one of the City of Toronto's larger Business Improvement Areas (BIAs) with a membership of some 1,800 businesses and 200 property owners whose properties are valued in total at close to \$6 billion.

**We are writing to show our support for a 10% cap on commercial property taxes in 2018 as a stop-gap measure to allow for a thorough assessment of other, longer-term solutions based on best practice and international experience.**

DYBIA has been keenly involved with the issue of commercial property tax increases over the past 12 months.


Early last year, we were alerted to an alarming increase in property taxes that would be coming down the pipe for businesses on Yonge Street in 2017. The initial data we analyzed suggested that the increase could be as high as 400% for certain properties.

The more data we reviewed, the more concerned we became. Increases of this magnitude would be very bad news for any business on our city's main street, but particularly for the small independent businesses that have long been the lifeblood of our downtown core.

We escalated our concerns to both the Mayor's Office and our Board of Management as early as February 2017. At the same time, we began working closely with Councillors Kristyn Wong-Tam and Michael Thompson on the issue.

Directed by our Board, we launched an education campaign for our member property owners and businesses, connecting them to both the Municipal Property Assessment Corporation (MPAC), which conducts the property valuations (known as Commercial Value Assessments or CVAs) in Ontario, and the City's Revenue Services Division, which calculates and invoices property taxes.

Our approach culminated in a series of member workshops in September 2017, which focused on how property values are assessed and how to appeal them if owners believed them to be inflated.



Thanks to the ongoing advocacy of Councillor Wong-Tam, supported by DYBIA, MPAC agreed to review CVAs on Yonge Street, especially those in the Heritage Conservation District north of College Street.



There is no question that gentrification is a complex issue with both positive and negative consequences. We want to see that independent specialty stores are part of the future in Downtown-Yonge. While property owners benefit from increasing CVAs, existing tenants and smaller businesses are often pushed out as a result. This negatively impacts the street experience, vibrancy and uniqueness of streetfront retail and is a loss to the district economy.

A healthy, economically strong neighbourhood needs both large and small businesses, and we would like to find a workable solution that acknowledges the opportunities provided by gentrification but mitigates the challenges for businesses and property owners.

Sincerely



**Mark Garner**

Chief Operating Officer & Executive Director  
Downtown Yonge BIA

CC: Mayor Tory  
Councillor Wong-Tam  
Councillor Troisi  
Councillor Thompson  
Mike Williams  
Peter Wallace  
Rob Rossini

