

Authority: Planning and Growth Management Committee Item 15.2 adopted as amended by City of Toronto Council on May 26 and 27, 2008

Enacted by Council:

## CITY OF TORONTO

**Bill No. 1021**

**BY-LAW No.**

### **To Cancel Municipal and Education Taxes for 225 and 275 Commissioners Street and 15 Basin Street.**

WHEREAS by-law No. 1027-2006, being a by-law to designate the East Bayfront, West Don Lands, Port Lands and South of Eastern Avenue as community improvement project areas, pursuant to section 28(2) of the *Planning Act*, was adopted by Council on July 25, 26, and 27, 2006;

WHEREAS by-law No. 518-2008, being a by-law to adopt the Waterfront Community Improvement Plan for Brownfield Remediation and Development of Prescribed Employment Uses, was adopted by Council on May 26 and 27, 2008;

WHEREAS Build Toronto Holdings One Inc., the registered owner of the Eligible Property applied to the Municipality to cancel the property taxes for the Eligible Property, in accordance with the community improvement plan and section 333 of the *City of Toronto Act, 2006*;

WHEREAS the Eligible Property is located within the community improvement project area and is eligible for Tax Assistance pursuant to section 333 of the *City of Toronto Act, 2006*; and

WHEREAS the Minister of Finance has approved this by-law as required by Section 333 of the *City of Toronto Act, 2006*;

The Council of the City of Toronto, pursuant to section 28 of the *Planning Act* and section 333 of the *City of Toronto Act, 2006* HEREBY ENACTS as follows:

1. In this by-law the following terms shall have the following meanings:

**“Base Municipal CVA Taxes”** means the amount calculated by multiplying the Current Value Assessment(s) ("CVA") applicable for the lands upon which the Eligible Development is constructed, as reflected in the returned assessment roll applicable to the taxation year immediately preceding the first year the Eligible Development is reassessed, by the tax rate(s) applicable for both the municipal and education portions of the property tax for those lands, for that taxation year. The Base Municipal CVA Taxes shall be fixed in this manner for the purposes of determining the Municipal Tax Increment, subject to any adjustment arising from assessment appeals or changes to CVA made by the Municipal Property Assessment Corporation ("MPAC") through requests for reconsideration, equity changes or gross error, and shall remain unchanged for the duration of the term of the Tax Assistance.

**“Destination Municipal CVA Taxes”** means the amount calculated by multiplying the CVA directly attributable to the Eligible Development and the land upon which it is constructed as reflected in the returned assessment roll applicable to the first full taxation year following the completion and reassessment of the Eligible Development, by the tax rate(s) applicable for both the municipal and education portions of the property tax at

that time, to the land upon which the Eligible Development is constructed and to the Eligible Development itself. The Destination Municipal CVA Taxes shall remain fixed for the purposes of determining the Municipal Tax Increment for the Eligible Development subject to any adjustments to taxes arising from assessment appeals or changes to the Destination Municipal CVA made by MPAC through requests for reconsideration, equity changes or gross error, and shall remain unchanged for the duration of the term of the Tax Assistance.

**“Development”** means the development of Eligible Uses on the Eligible Property which occurs following remediation that would enable the Owner to file a record of site condition with respect to the Eligible Property in the Environmental Site Registry under section 168.4 of the *Environmental Protection Act*;

**“Development Period”** means the period of time starting on the date that the Municipal Tax Increment would have been first payable, but for the cancellation of taxes as authorized by this by-law, in the first calendar year in which the property tax bill reflects the increased assessed value attributable to the Eligible Development, and ending on the earlier of:

- A The date that the Tax Assistance provided for the Eligible Property equals the Remediation Costs; or
- B. Either:
  - (i) if the Eligible Property is eligible for Development Grants pursuant to by-law 518-2008, the date upon which the final property tax bill is issued in the second calendar year following the year in which the Development Period commenced, or
  - (ii) if the Eligible Property is not eligible for Development Grants pursuant to by-law 518-2008, the date upon which the final property tax bill is issued in the first calendar year following the year in which the Development Period commenced;

**“Eligible Property”** means the property municipally known as 225 and 275 Commissioners Street and 15 Basin Street, more particularly described in Schedule "A" attached to this by-law;

**“Eligible Uses”** means those uses eligible to receive Brownfield Remediation Tax Assistance in accordance with by-law 518-2008;

**“Financial Incentives Agreement”** means the agreement entered into between the Owner and the Municipality, prior to the enactment of this By-law setting out the terms and conditions of the Brownfields Remediation Tax Assistance program;

**“Owner”** means Build Toronto Holdings One Inc. Port, the owner of the Eligible Property;

**“Municipal Tax Increment”** means the difference derived from the following calculation for all Eligible Development:

Destination Municipal CVA Taxes ( - ) Base Municipal CVA Taxes

In calculating the Tax Assistance available for Eligible Development, the Municipal Tax Increment shall be calculated in the first year that the subject Assistance is payable, and shall remain fixed for the duration of the Development Period, subject to the provisions for adjustment as set out in the Financial Incentives Agreement;

“**Municipality**” mean the City of Toronto;

“**Remediation Costs**” means the cost of any action taken to reduce the concentration of contaminants on, in or under the Eligible Property to permit a record of site condition to be filed in the Environmental Site Registry under section 168.4 of the *Environmental Protection Act* and the cost of complying with any certificate of property use issued under section 168.6 of the *Environmental Protection Act*, as further specified in by-law No. 518-2008;

“**Tax Assistance**” means the cancellation of the Municipal Tax Increment for municipal and school purposes levied on the Eligible Property during the Development Period in accordance with the terms of this by-law and by-law 518-2008.

2. The Municipality shall provide Tax Assistance for the Eligible Property subject to the provisions of this by-law, the Financial Incentives Agreement, and the applicable provisions of by-law 518-2008.
3. Subject to section 2, Tax Assistance shall be provided for the duration of the Development Period.
4. The maximum Tax Assistance provided will total the sum of the Municipal Tax Increment for the duration of the Development Period.
5. Where Tax Assistance is provided for a portion of any year, or where Tax Assistance represents only a portion of the taxes levied on the Eligible Property, the Owner is responsible for payment of all property taxes levied during the portion of the year when the Tax Assistance is not provided, and for all taxes not subject to Tax Assistance.
6. The Treasurer shall alter the tax roll in accordance with the Tax Assistance to be provided for the Eligible Property.
7. Tax Assistance shall be suspended and may be terminated in the following circumstances:
  - A. the Owner is in default of any obligation pursuant to this by-law or applicable provisions of by-law 518-2008, or
  - B. the Owner is in default of any obligation pursuant to the Financial Incentives Agreement.
8. The education portion of the Tax Assistance shall be terminated where the Eligible Property is severed, subdivided or all or any portion of the property is conveyed.
9. Tax Assistance shall terminate upon the earlier of:
  - A. if the Eligible Property is eligible for Development Grants pursuant to by-law 518-2008, the date upon which the final property tax bill is issued in the second

calendar year following the year in which the Development Period commenced;  
or

if the Eligible Property is not eligible for Development Grants pursuant to by-law 518-2008, the date upon which the final property tax bill is issued in the first calendar year following the year in which the Development Period commenced;  
or

B. the date upon which the Tax Assurances equals the Remediation Costs.

10. If Tax Assistance is to be suspended or terminated under section 7, the Municipality may:

A. provide the Owner with notice that the conditions under this by-law, by-law 518-2008, or the Financial Incentives Agreement, as applicable, have not been met and that the Tax Assistance is terminated and order the Owner to repay the property taxes that were subject to the Tax Assistance, with interest in accordance with section 310 of the *City of Toronto Act, 2006*; or

B. provide the Owner with notice that Tax Assistance will be suspended pending the Owner curing the default within such period and on such terms as the Municipality specifies in writing, and that the failure to do so will result in termination of the Tax Assistance in accordance with subsection 10(i) of this by-law.

11. A notice under section 10(ii) of this by-law is not effective with respect to education taxes without the written consent of the Minister of Finance.

ENACTED AND PASSED this        day of August, A.D. 2010.

SANDRA BUSSIN,  
Speaker

ULLI S. WATKISS  
City Clerk

(Corporate Seal)

## **SCHEDULE "A"**

All of PINs 21385-0183(LT) and 21385-0181(LT) and Part of PINs 21385-0177(LT) and 21385-0179(LT)

Being all of Leasehold PIN 21385-0184(LT)

Part of Block 2, Plan 540E, part of Saulter Street, Plan 673E, closed by ES34984 and AT1671329, part of Block A, Plan 673E, part of Basin Street, Plan 673E, closed by AT1671329, Toronto, designated as Parts 2, 4, 5, 6, 7, 8, 15, 16, 17, 18, 19, 20, 21, 28, 29, 30, 31, 32, 33 and 34, Plan 66R-22808 and Part 1, Plan 66R-23157; S/T CA298174; S/T AT1671378; S/T AT1671330; S/T AT1671331; S/T AT1671332; S/T AT1671333; S/T AT1671334; S/T AT1671335; S/T AT1671453; T/W AT1696232.