

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: November 1, 2012

CITY OF TORONTO

BY-LAW No. 1442-2012

To cancel municipal taxes for 43A Parliament Street.

WHEREAS By-law No. 518-2008, being a by-law to designate the City of Toronto as a community improvement project area, pursuant to section 28(2) of the *Planning Act*, and to adopt the city wide community improvement plan for brownfield remediation and development of prescribed employment uses was adopted by Council on May 26 and 27, 2008; and

WHEREAS, 271 Front Inc., the registered owner of the Eligible Property has 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*; and

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*;

The Council of the City of Toronto 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 taxation year in which this Agreement is signed for the property upon which the Eligible Development is to be constructed, by the municipal tax rate(s) applicable for the property, for that taxation year. The Base Municipal CVA Taxes shall be fixed in this manner for the purposes of determining the Municipal Tax Increment, for the Eligible Development, subject to any adjustments arising from assessment appeals or changes to CVA made by the Municipal Property Assessment Corporation ("MPAC") 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 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, and shall remain unchanged for the duration of the term of the Tax Assistance.

"Eligible 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 a maximum period of three years 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 No. 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 No. 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 43A Parliament Street and 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 No. 518-2008;

"Financial Incentives Agreement" means the agreement entered into between the Owner and the Municipality setting out the terms and conditions of the Brownfields Remediation Tax Assistance program;

"Owner" means 271 Front Inc., 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" means 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 levied on the Eligible Property during the Development Period for municipal purposes in accordance with the terms of this by-law and By-law No. 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 No. 518-2008.
3. Subject to section 2, Tax Assistance shall commence on the date that the Municipal Tax Increment would have been 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 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 No. 518-2008; or
 - B. the Owner is in default of any obligation pursuant to the Financial Incentives Agreement.

8. Tax Assistance shall terminate upon the earlier of:
- A. if the Eligible Property is eligible for Development Grants pursuant to By-law No. 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
 - B. if the Eligible Property is not eligible for Development Grants pursuant to By-law No. 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; and
 - C. the date upon which the Tax Assistances equals the Remediation Costs.
9. 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 No. 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.A of this by-law.

ENACTED AND PASSED this 1st day of November, A.D. 2012.

FRANCES NUNZIATA,
Speaker

ULLI S. WATKISS,
City Clerk

(Corporate Seal)

SCHEDULE "A"**LEGAL DESCRIPTION OF THE PROPERTY**

PART OF PIN 21077-0025 (LT) being Part Lot 1, Plan 108, East Side of Parliament Street; Part Lot 3A, Plan 108, South Side of Front Street East; Part Lots 1, 2 and 3, Plan 108, North Side of Mill Street; designated as Parts 3 and 4 on Plan 66R-26445, City of Toronto.