

Authority: Planning and Growth Management Committee Item PG17.5, as adopted by City of Toronto Council on October 2, 3 and 4, 2012

## CITY OF TORONTO

### BY-LAW No. 1256-2016

#### **To cancel municipal taxes for the property known municipally as 80 Atlantic Avenue.**

Whereas by the adoption of By-law 516-2008, as amended by By-law 1323-2012, City Council designated the City of Toronto as a community improvement project area, pursuant to section 28(2) of the *Planning Act*, and adopted a city wide community improvement plan for brownfield remediation and development of prescribed employment uses consisting of development grants in the form of tax increment equivalent grants for certain defined uses and brownfield remediation tax assistance, pursuant to section 38(2) of the *Planning Act*, R.S.O, 1990, c. P.13 and section 333 of the *City of Toronto Act, 2006*, c. 11, Schedule A; and

Whereas the registered owner of the Eligible Property has applied to the City 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*; and

Whereas the Owner has provided the City with a Phase 2 Environmental Assessment demonstrating that provincial standards cannot be met in order to file a record of site condition in respect of the Property; and

Whereas in accordance with subsection 333(2) of the *City of Toronto Act, 2006*, the City may pass By-laws providing for the cancellation of all or a portion of taxes for municipal and school purposes levied on eligible properties; and

Whereas the City wishes to provide for the cancellation of a portion of the municipal taxes for the Property described in Schedule "A" to this By-law;

The Council of the City of Toronto enacts:

**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 the Financial Incentive Agreement between the City and the Owner is signed, by the tax rate(s) applicable 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") 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 for the Property directly attributable to the Eligible Development, as reflected in the returned assessment roll applicable to the first full taxation year following the completion of the Eligible Development and the reassessment of the Property to reflect the

completion of the Eligible Development, by the tax rate(s) applicable at that time. The Destination Municipal CVA Taxes shall remain fixed for the purposes of determining the Municipal Tax Increment 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.

"Community Improvement Plan" or "CIP" means the City wide the City-Wide Community Improvement Plan for Brownfield Remediation and Development of Prescribed Employment Uses as set out in By-law 516-2008, as amended by By-law 1323-2012.

"CVA" means the Current Value Assessment as determined by the Municipal Property Assessment Corporation, ("MPAC"). For purposes of this By-law, the CVA taxes for the Property attributable to the Eligible Development shall not include any portion of the CVA attributable to the existing building at 60 Atlantic Avenue or any new development relating to the existing building.

"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*. The Brownfield Remediation Tax Assistance provided for in this By-law relates only to that portion of the Property occupied in the year 2016, by the parking lot located directly to the north of the existing heritage designated office building at 60 Atlantic Avenue, and known municipally as 80 Atlantic Avenue, upon which the five storey, new build timber frame office building described in the Property Tax Incentive Application, is to be located.

"Eligible Property" or "Property" means that portion of the Property known municipally as 60 Atlantic Avenue, as described in Schedule "A" attached to this By-law, that is occupied by the parking lot located directly to the north of the existing heritage designated office building at 60 Atlantic Avenue, and is known municipally as 80 Atlantic Avenue, upon which the five storey, new build timber frame office building described in the Property Tax Incentive Application, is to be located.

"Eligible Uses" means those uses eligible to receive Brownfield Remediation Tax Assistance in accordance with the CIP.

"Financial Incentives Agreement" means the agreement to be entered into between the Owner and the City setting out, amongst other things, the terms and conditions of the Brownfields Remediation Tax Assistance program.

"Owner" means the registered 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

The Municipal Tax Increment shall be calculated in the first year that the subject Assistance is provided, and shall remain fixed subject to the provisions for adjustment as set out in the Financial Incentives Agreement.

"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 the CIP.

"Tax Assistance" means the cancellation of the Municipal Tax Increment levied on the Eligible Property for municipal purposes in accordance with the terms of this By-law and the CIP.

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 the CIP.
3. 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 terminate upon the earlier of A or B below:
  - A. Either:
    - (i) two years after the date that MPAC reassesses the Property to reflect the fully improved value of the developed Property; or
    - (ii) three years after the date that MPAC reassesses the Property to reflect the fully improved value of the developed Property, if the Property is also receiving development grants.
  - B. The date that the Tax Assistance provided for the Property equals the sum of:
    - (i) the cost of any action taken to reduce the concentration of contaminants on, in or under the 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
    - (ii) the cost of complying with any certificate of property use issued under section 168.6 of the *Environmental Protection Act*.
4. The maximum Tax Assistance provided in any given year shall not exceed the Municipal Tax Increment for that year.
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. Tax Assistance shall be suspended, and may be terminated, if a default by the Owner has occurred and any applicable cure period has expired pursuant to the provisions of:
  - A. this By-law;
  - B. the applicable provisions of the CIP; or
  - C. the Financial Incentives Agreement.
7. If Tax Assistance is to be suspended or terminated under section 6, the City may:
  - A. provide the Owner with notice that the conditions under this By-law, the CIP, 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 City specifies in writing, and that the failure to do so will result in termination of the Tax Assistance in accordance with subsection 7.A of this By-law.

Enacted and passed on December 15, 2016.

Frances Nunziata,  
Speaker

Ulli S. Watkiss,  
City Clerk

(Seal of the City)

**SCHEDULE "A"**

## LEGAL DESCRIPTION OF THE PROPERTY

**PIN 21299-0122**

LT 20-25 PL 765 TORONTO; BLK D PL 1180 TORONTO, DESIGNATED AS PART 1 PLAN 63R-4576; CITY OF TORONTO\*

\*The Tax Assistance provided for under this By-law shall only apply to that portion of the Property described above, that is occupied in the year 2016, by the parking lot located directly to the north of the existing heritage designated office building at 60 Atlantic Avenue, and known municipally as 80 Atlantic Avenue, upon which the five storey, new build timber frame office building described in the Property Tax Incentive Application, is to be located.