

IMAGINATION

MANUFACTURING

INNOVATION

TECHNOLOGY



BUSINESS INCENTIVE

SUPPORTING DEVELOPMENT IN TORONTO

Toronto's Imagination, Manufacturing, Innovation and Technology (IMIT) incentive helps business reduce costs and remain competitive. The IMIT program encourages new investment and employment growth and actively supports development activities that will make the city more prosperous, liveable and able to provide opportunity for all.

How the program works

Development in targeted sectors and uses across Toronto may be eligible for a grant equal to a portion of the property's municipal taxes. Qualified applicants who are constructing a new building or renovating an existing building may save 60% of the resulting increase in municipal property tax created by the development over a 10-year period.

Eligibility

City-wide

- Biomedical
- Convergence centres
- Creative industries
- Food and beverage wholesaling
- Incubators
- Information services and data processing
- Manufacturing
- Scientific research and development
- Software development
- Tourism attractions
- Transformative projects

Geographic-specific

- Colleges
- Film studio complexes
- Financial and business services
- Office

Retail and Residential uses are not eligible for the IMIT incentive.

Conditions:

- Property owners must submit a grant application prior to issuance of the main building permit.
- Property owners must agree to meet the minimum requirements of the Toronto Green Standard.
- The proposed development must have a construction value of at least \$1 million as shown on the main building permit.
- Property owners must participate in a city-endorsed hiring initiative.
- The property must not be in arrears of City taxes, fees or other charges.

Applications will be accepted until September 16, 2013.

Development

To be eligible, properties must undergo development which can include new building construction or improvements made for the purposes of establishing, maintaining or expanding a business to realize a more effective use of the land's potential.

How the grant is calculated

Should the improvement or new development result in an increase to the assessed value of the eligible property, the amount of such an increase — as decided by the Municipal Property Assessment Corporation (MPAC) — would determine the grant amount, as per an established 10-year rebate disbursement schedule:

Upon payment of the property tax each year, the City would rebate a percentage of this tax to the owner based on the assessment established by MPAC at the outset. Each year over the 10-year grant period, a declining percentage of the municipal tax increment would be rebated (from 100 per cent of the tax increment amount in the first year to 20 per cent in the final year of the grant).

After the 10-year grant period the full property tax amount would be payable. All grants will cease if, during the grant period, the building is converted to an ineligible use or is demolished for reasons other than to expand an eligible use.

Toronto Green Standard

The Toronto Green Standard contains performance targets and guidelines for site and building design that promotes better environmental sustainability. This includes the use of cool roof materials, bird-friendly windows or additional landscaping.

City-endorsed hiring programs

To facilitate job growth and employment of Toronto residents the applicant or user of the property must participate in at least one city-endorsed local hiring program. It is expected that this will be a documented and ongoing relationship throughout the term of the Incentive.

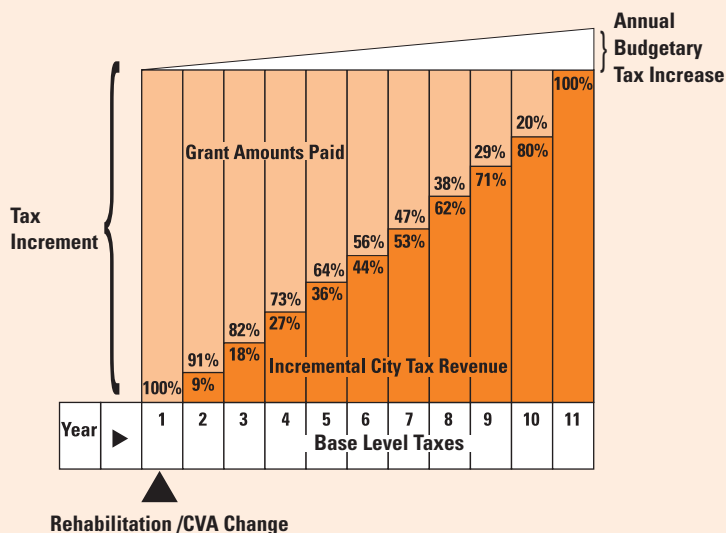
Brownfield Remediation Tax Assistance (BRTA)

Tax assistance may also be provided to brownfield properties where contamination has rendered the property vacant, under-utilized, unsafe, unproductive or abandoned. Properties will qualify for assistance only where brownfield remediation is undertaken in order to develop the property for non-retail employment uses. The City may cancel 100% of the tax increment resulting from development post-remediation for up to three (3) years.

For further information contact:

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Sample Calculation of Incremental Tax Grant



Successful IMIT applications include:

- a 150,000-sq.-ft. expansion of a North Toronto food processing facility. The total construction investment is estimated at \$9 million with a total of 150 new and retained jobs expected
- a \$23 million, 365,000-sq.-ft. new manufacturing and R&D facility that will bring 400 new jobs
- a \$25 million, 100,000 sq. ft. office expansion in the food and beverage sector in Central Toronto. A total of 500 new and retained jobs are expected