TORONTO

STAFF REPORT
ACTION REQUIRED

Property Tax Relief for Charities and Similar Organizations and Implications of Supporting Requests for Tax Exemptions through Private Legislation

Date:	November 14, 2012
To:	Executive Committee
From:	Acting Deputy City Manager and Chief Financial Officer
Wards:	All
Reference Number:	P:\2012\Internal Services\rev\ec12027rev (AFS16655)

SUMMARY

This report provides information on the City's policies and programs for property tax relief for charities and similar organizations, and on the implications of supporting requests for private legislation that provide for property tax exemptions. This information was requested by the Executive Committee, in its consideration of a request from the Toronto International Film Festival (TIFF) seeking Council's support for TIFF's efforts to obtain Provincial legislation that would enable City Council to exempt TIFF from property taxes related to its portion of the new TIFF Bell Lightbox at 350 King Street West.

Council's objectives and policies surrounding tax relief for charities offer a broad-based and consistent level of support for all charitable organizations, regardless of the nature of the charity work carried out. To date, and in order to maintain an equitable level of support for all types of charities, staff have not recommended that Council support efforts of individual charities that seek to obtain property tax exemptions through private legislation or other means.

This report also outlines how the Toronto International Film Festival provides significant benefits to the City and is recognized as a significant economic generator, and a major cultural organization. TIFF Bell Lightbox is a key piece of economic and cultural infrastructure for Toronto and has transformed the immediate neighbourhood and reinforced Toronto's reputation as a worldwide cultural destination.

RECOMMENDATIONS

The Acting Deputy City Manager and Chief Financial Officer recommends that:

1. Executive Committee receive this report for information.

Financial Impact

There are no immediate financial implications arising from the adoption of the recommendation contained in this report.

However, should Council choose to indicate its support of efforts by the Toronto International Film Festival to secure a tax exemption for the premises occupied by TIFF at 350 King Street West through a Private Member's bill, and such legislation is enacted, a property tax exemption for the premises occupied by TIFF would result in an estimated loss of annual taxation revenue to the City of $0.870 million.

Although the new Bell Lightbox facility has not yet been assessed by MPAC for 2012 or 2013, it is estimated that the Current Value Assessment (CVA) for the portion of the facility occupied by TIFF will be approximately $50 million, resulting in total property taxes of approximately $1.5 million annually at full CVA (including both the municipal and education portion of taxes), or annual taxes of approximately $900,000 (municipal + education portions) that would be payable after the 40% charity rebate is applied.

Table 1 below identifies the property taxes that would be payable and the financial implications to the City for each of three possible scenarios: taxes payable at full CVA taxation levels (before charity rebate); taxes payable given TIFF's eligibility for a charity rebate; and a full exemption from property taxes.

Table 1
TIFF Premises at 350 King Street West
Estimated Property Taxes Payable and Financial Implications

Tax Treatment	Property Taxes Payable			Financial Implications to the City (change in municipal tax revenue)
	Municipal	Education[1]	Total	
Taxation at full CVA (Commercial tax rates), before charity rebate	$870,000	$630,000	$1,500,000	**None.** Property taxes are payable at full CVA taxation levels and commercial tax rates.
Taxation at full CVA with a 40% charity rebate applied	$522,000	$378,000	$900,000	**None.** As a registered charity, TIFF is eligible for a 40% rebate of taxes. The municipal portion of the charity rebate payable ($348K) is funded through a special levy on the commercial class, such that amounts needed to fund charity rebates are fully recovered from this levy at no cost to the City.
Full property tax exemption	$0	$0	$0	**Net revenue loss of $870,000.** With a full exemption from property taxes, the total impact on City revenues would be $870,000, because the City would no longer collect the $348,000 for the City's portion of the charity rebate payable on this property from the special charity rebate levy on the commercial class.

1. There are no impacts to the City for the education share of taxes. The provincial education portion of any charity rebate payable is recoverable from the Province, and, in the case of a full exemption, the education portion of taxes would no longer be levied nor remitted to the Province.

Given that the City's current policies and programs for property tax relief for charities and other similar organizations provide an equitable and consistent level of support for all charitable organizations, staff cannot recommend that Council support a property tax exemption for TIFF. Should Council wish to provide additional financial support to this organization, a more appropriate and transparent means of providing assistance would be an increase to the annual grant paid to TIFF.

DECISION HISTORY

At its meeting of October 2, 3 and 4, 2012, Council considered Member Motion MM26.8: *Toronto International Film Festival – Request for Support of Private Member's Bill for Property Tax Exemption*, as moved by Councillor Michael Thompson, seconded by Councillor Paula Fletcher. Council referred this item to the Executive Committee for consideration. The motion is available at:
http://www.toronto.ca/legdocs/mmis/2012/ex/bgrd/backgroundfile-51057.pdf

At its meeting of November 5, 2012, the Executive Committee deferred Item EX24.29: *Toronto International Film Festival – Request for Support of Private Member's Bill for Property Tax Exemption* to a special meeting of the Committee to be held on November 19, 2012, and made the following additional requests:

a) the Deputy City Manager and Chief Financial Officer, in consultation with the General Manager, Economic Development and Culture, report to the Executive Committee meeting on November 19, 2012, on the City's policies and programs for property tax relief for charities and similar organizations, and on the implications of supporting requests for private legislation that provides for property tax exemptions; and

b) the Deputy City Manager and Chief Financial Officer, in consultation with the General Manager, Economic Development and Culture, undertake a review of the current value property valuation methodology prescribed by Provincial legislation and utilized by MPAC, and identify possible changes to legislation in this regard to better support development and land use policies contained in the City's Official Plan and in alignment with the City's economic growth.

The Committee's decision is available at:
http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.EX24.29

This report responds to part a) of the Committee's request above. Part b) will require further study and consultations to be undertaken to identify possible legislative changes as suggested.

ISSUE BACKGROUND

In September 2010, the Toronto International Film Festival (TIFF) moved into its new permanent home at the Bell Lightbox building, located at 350 King Street West (King and John Streets). TIFF owns and occupies the first 5 floors of the building.

The facility includes 2 gallery spaces for exhibitions, a comprehensive film library and collection of film-related artifacts, 5 cinemas, spaces for workshops, lectures, and other educational programming. The balance of the property, which is separately owned by King John Festival Corporation, consists of 5 levels of underground parking, 2 restaurant spaces, 1 exterior retail space on King Street, and a 41 story condominium tower above the TIFF Lightbox, will continue to pay property taxes.

The TIFF Lightbox is a new facility that has not yet been assessed by MPAC, however, it is estimated the property taxes for TIFF will be approximately $1.5 M per year at full CVA, and approximately $900,000 per year after the application of the charity rebate on this property, including both the municipal and education share of taxes, as shown in Table 2:

Table 2 – Estimated Annual Property Taxes Payable on TIFF Lightbox

	Municipal Taxes	Education Taxes	Total Taxes Payable
At Full CVA Taxation	$870,000	$630,000	$1,500,000
- less charity rebate payable	- $348,000	- $252,000	- $600,000
= Taxes after Charity Rebate Applied	$522,000	$378,000	$900,000

Should any portion of the premises occupied by TIFF qualify for a property tax exemption in their own right under the *Assessment Act* (i.e., the Act provides for

exemptions for certain types of theatres, public libraries, scientific/literary institutions, etc.), these portions will be classified by MPAC as exempt from taxation, and no taxes will be payable. The portions occupied by TIFF that do not meet the criteria for exemptions under the *Assessment Act* are expected to be classified as commercial, and subject to taxation at full commercial rates.

As a registered charity, TIFF is entitled to a 40 percent property tax rebate of the property taxes payable on the space it occupies. However, the increased tax impact of its larger new facility will be substantial compared to its previous rented space at 2 Carlton Street ($66,000 in total property taxes (municipal and education portions) in 2010 after the statutory charity rebate). Table 3, below, summarizes the property taxes paid by TIFF in 2010 for the property at 2 Carlton Street.

Table 3 – Property Taxes Paid by TIFF in 2010 re: 2 Carlton Street

	Municipal Taxes	Education Taxes	Total Taxes Payable
At Full CVA Taxation	$63,550	$47,450	$111,000
- less charity rebate payable	- $25,420	- $18,980	- $44,400
= Taxes after Charity Rebate Applied	$38,130	$28,470	$66,000

TIFF has requested that Toronto City Council express its support for TIFF's efforts to obtain provincial legislation that would enable the City to pass a by-law to exempt TIFF from property taxes on its portion of the new facility. For-profit businesses sharing the facility will continue to pay property taxes. A property tax exemption would provide an estimated $900,000 in additional assistance to TIFF, approximately $522,000 of which would be a reduction in the municipal taxes payable, with the rest accounted for by an exemption from provincial education property taxes. TIFF has advised that the property tax exemption would assist in the servicing of $44 million in capital debt related to the new facility.

COMMENTS

A small percentage of Toronto's more than 4,000 registered charitable organizations are exempt from taxes through exemptions under the *Assessment Act* or through special legislation. The large majority of charities in Toronto pay property taxes on premises they occupy.

Current Tax Treatment for Charitable Organizations

Charities that are located in commercial or industrial property may qualify for a 40% rebate of the property taxes payable under the City's rebate program for registered charities. On average, approximately 700 charitable organizations receive property tax rebates annually under this program. Charities that occupy space within the residential tax class pay property taxes at residential tax rates.

The current property tax treatment for charitable organizations is based on long established policies adopted by Council in 1998 that define the level of tax relief available to charities. The predominant aim of the tax policies for charities adopted in 1998 was to continue the tax treatment that had previously applied to charities prior to amalgamation

and the introduction of Current Value Assessment (CVA). Prior to 1998, registered charities were taxed at residential tax rates, even where they occupied commercial or industrial space, by virtue of their charity status. Following amalgamation, Council approved that charities located in commercial or industrial space receive a 40 per cent rebate of the commercial/industrial taxes that would otherwise be payable under CVA, as a means of approximating the taxes that would be payable if they continued to be taxed at a level equivalent to residential property. This has continued to form the basis of current tax policy surrounding charities, and no changes to the current policies are recommended.

Property Tax Exemptions for Charities and Similar Organizations

Attachment 1 to this report provides a summary of various types of property tax exemptions that apply to charities and similar organizations in Toronto.

In general, exemptions from property taxes are established by the *Assessment Act*. Section 3(1) of the Act establishes exemptions from property tax for a number of different property types, including hospitals, churches, cemeteries, libraries, schools, universities and colleges, certain non-profit, charity or philanthropic organizations, and land owned and used by a municipality, among others. A full list of exemptions under the Act is provided as Attachment 2 to this report.

Properties may also receive an exemption from property taxes by virtue of special legislation, introduced either through a Government Bill, as in the case of large public institutions (e.g., *The Royal Ontario Museum Act*), or through a Private Member's Public Bill or Private Bill introduced by an individual Member of Provincial Parliament that provides an exemption for a specific property or organization, usually associated with a charitable, cultural or philanthropic organization.

There is no general authority conferred by the *City of Toronto Act* that would allow the City to provide a property tax exemption for any property or class of properties. Municipalities may, however, designate certain facilities as exempt from property taxes by by-law, by virtue of a municipal capital facilities agreement, in cases where a municipal service is provided by a third party on behalf of the municipality, or where a municipal service occupies leased space that would otherwise be taxable. Ontario Regulation 598/06 prescribes a defined list of activities or facilities that qualify as eligible municipal capital facilities.

And finally, the City of Toronto has established rebate programs to provide a 100 per cent rebate of taxes payable by eligible veteran's clubhouses and ethno-cultural centres. While not a true tax exemption, these programs provide rebates in an amount equivalent to the total property taxes payable.

The premises occupied by the Toronto International Film Festival do not meet the eligibility criteria for any of the property tax exemptions or programs above. As such, TIFF could only be made exempt from taxation if property-specific legislation was enacted (i.e., via a Private Member's Bill).

History of Charities Made Exempt through Private Legislation

Exemptions approved prior to 1998

Approximately 24 properties in Toronto that remain exempt today by virtue of private legislation were made exempt prior to 1998, and were approved by Councils of the pre-amalgamation municipalities, as identified in Attachment 3 to this report. These exemptions were granted to various types of facilities, predominantly those established for ethno-cultural, philanthropic, religious, or educational purposes.

A number of properties that had been exempt from taxes (or subject to tax cancellations) through private legislation that were approved prior to amalgamation now fall under the City's Property Tax Rebate Program for Ethno-Cultural Centres, or the Tax Rebate Program for Veteran's Clubhouses and Legion Halls, as indicated in Attachment 3.

Exemptions approved after 1998 (post-amalgamation)

Only 3 properties have been made exempt under private legislation by Toronto Council since 1998, as identified in Table 4 below. Where Council has, since amalgamation, approved tax exemptions for charities under private legislation, these cases have generally involved either a continuation of a long-standing tax exemption, or cases where charities that, but for a particular circumstance, would otherwise meet the requirements for an exemption under the *Assessment Act.*

Table 4 - Properties Made Exempt through Private Legislation – After 1998

Organization & Location	Legislative Support	Date Exemption Granted	Annual foregone municipal tax revenues
Sheena's Place 87 Spadina Road	*Sheena's Place Act, 2006*	May 2007	$7,000.
Master's College and Seminary 3080 Yonge Street[1]	*Master's College and Seminary Act, 2008*	May 2009	$60,000.
Luso Canadian Charitable Society (formerly Society of Portuguese Disabled Persons Building Fund) 2295 St. Clair Avenue West	*Luso Canadian Charitable Society Act (Tax Relief), 2010***.**	August 2010	$6,800.
		Totals:	**$73,800.**

1. The space is no longer exempt from property taxation as Master's College and Seminary has moved to a new location in Peterborough.

Additionally, the tax exemptions in Table 4 were supported by Council because the organizations in question serve a philanthropic purpose, or provide services to vulnerable or marginalized groups, or special-needs sectors of the population (e.g., the disabled), and thereby fulfil a vital service need, and complement the City's own social, health or well-being programs and initiatives.

Implications of Supporting Requests from Charities seeking Tax Exemptions

Since amalgamation, staff have consistently recommended against Council supporting the efforts of individual charities that seek to obtain, through private legislation or other means, instances where the property tax treatment of charities differ from property to property or from charity to charity. Council's approved policies and programs for tax relief for charities offer a broad-based and consistent level of support for all charitable organizations, regardless of the nature of the charity work carried out. Supporting efforts by individual organizations to obtain specialized treatment confers financial benefits to specific charities, and not others.

By supporting a single charity's request for a property tax exemption, notwithstanding the value of the work or the services delivered by the charity, a precedent is established that could see other charities seeking to obtain specialized or case-specific legislation. The potential precedent-setting implications of a decision by Council to support one organization's efforts to obtain private legislation could have financial implications for the City well beyond the initial first request, as more and more organizations sought similar treatment. Ultimately, a proliferation of differential tax treatments could also call into question the fairness and equity of application of tax policies for all charitable organizations. The City's policies surrounding tax relief for charities have allowed Council to remain impartial, in that the level of relief provided is consistent across a broad range of charitable organizations.

TIFF's Request for Council Support of Private Legislation

The Toronto International Film Festival is seeking Council's support for TIFF's efforts to obtain provincial legislation that would enable the City to pass a by-law to exempt TIFF from property taxes on its portion of the new facility. While City Council support is not required to enact Provincial legislation, such support is generally viewed favourably by the Legislature when considering such Bills.

TIFF's website describes the organization as being *"dedicated to presenting the best of international and Canadian cinema to film lovers. TIFF offers screenings, lectures, discussions, festivals, workshops, industry support and the chance to meet filmmakers from Canada and around the world."* Notwithstanding the fact that TIFF is a registered charity in its own right and offers many economic benefits to the City, Council since amalgamation has not supported similar requests for property tax exemptions. Property tax exemptions however were enacted prior to 1998 by private legislation (mostly by the Province without the involvement of the former municipalities) for the Royal Conservatory of Music, the Canadian Opera Company, Massey Hall and Roy Thompson Hall.

TIFF Benefits and Operating Support

In 2011, TIFF received operating support of $1.3 million in Federal grants, $3.8 million in Provincial grants, $2 million in philanthropic donations and $800,000 in a grant from the City. Given Council's prior grant to TIFF, and should Council wish to provide

continuing financial support to this facility, a more appropriate and transparent means of providing this assistance would be to approve an increase to an annual grant paid to TIFF to offset operating costs, including property taxes.

TIFF has a significant impact on the local economy attracting international visitors, investors and media contributing to the growth of the now $1.3 B film industry.

The TIFF Bell Lightbox is strategically located in Toronto's Entertainment District at King and John Street. Designed by Toronto-based Bruce Kuwabara of the architectural firm Kuwabara Payne McKenna Blumberg Architects (KPMB), the TIFF Bell Lightbox received in 2012 an Award of Excellence by the Ontario Association of Architects. In 2011, the TIFF Bell Lightbox won a Toronto Urban Design Award and Best in Show at the Pug Awards. Construction of the 165,000 square foot facility generated an estimated 500,000 person hours of employment over a 40 month period.

The TIFF and the TIFF Bell Lightbox continue to receive international media coverage with a mission to transform the way people see the world. Since 2009, TIFF's operating budget has grown by over 65% from $22.4 M to $37.2 M with the opening in 2010 of their new year-round facility, employing 275 full time employees and garnering the support of 2,500 volunteers each year.

TIFF has been recognized as one of Canada's Top 100 Employers and one of the Greater Toronto's Top Employers for the last 6 years by Mediacorp Canada Inc. Similarly, TIFF has been recognized as one of Canada's Top Employers for Young People.

The ensuing 41-storey Festival Tower Condominium rising above the TIFF Bell Lightbox's 5-storey podium building and the commercial components associated with the TIFF headquarters could conservatively provide $2.3 M in property tax revenue to the City. Attachment 4 provides a summary of estimated property tax revenue for the TIFF Bell Lightbox and Festival Tower Condominium property.

Conclusion

Given that the City of Toronto's current policies and programs were adopted by Council to provide an equitable and consistent level of support for all charitable organizations, regardless of the nature of the charity work carried out, staff cannot lend its support to individual efforts by charities to obtain specialized treatment or tax exemptions via private legislation.

Notwithstanding the above, should the Province enact private legislation as a result of TIFF's efforts, the legislation would establish the authority for the municipality to enact a by-law to have the property tax exemption apply, usually at the municipality's option. Typically, under such a Private Member's bill, the Province's education property taxes would also be exempted upon the City exempting their own portion of taxes.

Following enactment of the private legislation, Council's further approval would be required to enact a city by-law to provide for a tax exemption, and/or to specify any additional conditions related to the exemption.

The General Manager, Economic Development and Culture, was consulted in the preparation of this report, and concurs with the background information herein.

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SIGNATURE

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ATTACHMENTS

Attachment 1: Types of Property Tax Exemptions
Attachment 2: Exemptions from Property Tax under Section 3 of the *Assessment Act*
Attachment 3: Property Tax Exemptions approved prior to 1998 by Private Legislation
Attachment 4: Estimated Property Taxes for TIFF Bell Lightbox and Festival Tower Condominium Premises

Attachment 1: Types of Property Tax Exemptions

Statutory Exemptions under the *Assessment Act*

- In general, exemptions from property taxes are established by the *Assessment Act*, according to the criteria set out in Section 3 of the Act. This section establishes exemptions from property tax for a number of different property types, including:
  - land owned by Canada or a province
  - land owned and used by a municipality
  - Hospitals
  - Churches
  - Cemeteries
  - Children's treatment centres
  - Care homes
  - Libraries
  - Schools, universities and colleges
  - certain non-profit organizations
- Attachment 2 provides a full listing of the types of properties or organizations that are exempt from taxation under the *Assessment Act.*

Exemptions under Provincial Legislation (Public or Private Bills)

- Properties or organizations may also receive a property tax exemption by virtue of provincial legislation, introduced either through a Government Bill (e.g., *The Royal Ontario Museum Act, The Art Gallery of Ontario Act*), or through a Private Member's Public Bill or Private Bill introduced by an individual member of parliament that provides an exemption for a specific organization/property.
- In some cases, the act gives municipalities the option whether or not to adopt a property tax exemption or a tax cancellation. In general, Council must enact a by-law in order to have a tax exemption apply or to impose other conditions.
- Approximately 24 properties in Toronto that remain exempt today by virtue of private legislation were made exempt prior to 1998, and were approved by Councils of the pre-amalgamation municipalities, as identified in Attachment 3 to this report. These exemptions were granted to various types of facilities, predominantly those established for cultural, philanthropic, religious or educational purposes.
- A number of properties that had been exempt from taxes (or subject to tax cancellations) through private legislation that were approved prior to amalgamation now fall under the City's Property Tax Rebate Program for Ethno-Cultural Centres, or the Tax Rebate Program for Veteran's Clubhouses and Legion Halls, as indicated in Attachment 3.
- A number of other properties that had previously been exempt from taxes (or subject to tax cancellations) through private legislation (approved prior to amalgamation) now fall under the City's Property Tax Rebate Program for Ethno-Cultural Centres, or the Tax Rebate Program for Veteran's Clubhouses and Legion Halls, as indicated in Attachment 3.
- Only 3 properties have been made exempt under private legislation by Toronto Council since 1998, as identified in Table 1 below. Where Council has, since

amalgamation, approved tax exemptions for charities under private legislation, these cases have generally involved either a continuation of a long-standing tax exemption, or cases where charities that, but for a particular circumstance, would otherwise meet the requirements for an exemption under the *Assessment Act.*

Table 1 - Properties Made Exempt through Private Legislation – After 1998

Organization & Location	Legislative Support	Date Exemption Granted	Annual foregone municipal tax revenues
Sheena's Place 87 Spadina Road	*Sheena's Place Act, 2006*	May 2007	$7,000.
Master's College and Seminary 3080 Yonge Street[1]	*Master's College and Seminary Act, 2008*	May 2009	$60,000.
Luso Canadian Charitable Society (formerly Society of Portuguese Disabled Persons Building Fund) 2295 St. Clair Avenue West	*Luso Canadian Charitable Society Act (Tax Relief), 2010*.	August 2010	$6,800.
		Totals:	**$73,800.**

1. The space is no longer exempt from property taxation as Master's College and Seminary has moved to a new location in Peterborough.

Exemptions for Municipal Capital Facilities

- Under the *City of Toronto Act*, Council may designate a property as a municipal capital facility and provide a property tax exemption in cases where a municipal service is provided by a third party on behalf of the municipality, or where a municipal service occupies leased space that would otherwise be taxable. Council must enact a by-law in order to enter into a municipal capital facility agreement, and may also pass a by-law to provide a property tax exemption for the facility. Ontario Regulation 598/06 of the *City of Toronto Act* prescribes a defined list of activities or facilities that qualify as eligible municipal capital facilities. These include:
    - Facilities used by Council
    - Facilities used for the general administration of the City
    - Roads, highways and bridges
    - Local improvements and public utilities
    - Facilities for the generation of electricity
    - Facilities related to the provision of telecommunications, transit and transportation systems
    - Facilities for water, sewers, sewage, drainage and flood control
    - Facilities for the collection and management of waste and garbage
    - Facilities related to policing, fire-fighting and by-law enforcement
    - Facilities for the protection, regulation and control of animals
    - Facilities related to the provision of social and health services, including homes under the *Homes for the Aged and Rest Homes Act*
    - Public libraries
    - Community centres
    - City facilities used for cultural, recreational or tourist purposes
    - Parking facilities ancillary to any of the above facilities
    - City housing project facilities

For the full text of the Ontario Regulation 598/06, see:
http://www.e-laws.gov.on.ca/html/regs/english/elaws_regs_060598_e.htm

Veteran's Clubhouses and Ethno-cultural Centres

- Toronto City Council has adopted programs to provide a rebate of 100 per cent of the property taxes payable for eligible veteran's clubhouses and ethno-cultural centres. Although technically not property tax exemptions, these programs provide the equivalent benefit of an exemption to properties or organizations that qualify. The eligibility criteria for these programs are summarized in Table 2 below.

Table 2 – Eligibility Criteria for Veteran's Clubhouses and Ethno-cultural Centres

Rebate Program	Definition	Eligibility Criteria
Veteran's Clubhouses and Legion Halls	Lands or building, or a portion thereof, used as a memorial home, clubhouse, or athletic grounds for veterans of the naval, military or air forces of Canada, Great Britain or Her Majesty's allies; or Memorial Home —A facility that provides affordable housing or rental housing units at below average rents, for veterans, or spouses thereof.	• Must be an eligible organization; • Must occupy and use the property for the purposes of a veterans' clubhouse, legion hall or memorial home; • Must apply annually; • Cannot be in arrears of taxes; and • Must notify City of change in status.
Ethno-cultural Centres	A centre for the promotion of culture within the multi-cultural context of Canadian society and for the facilitation of communication and understanding of culture, education, arts and trade, the activities of which are accessible to the community as a whole or an appreciable portion thereof at minimal or no cost, and which are not contrary to public policy.	• Must be a registered charity; • Must own, use and occupy or use and occupy under a lease with a term of 60 years or more and use the property for the purposes of an ethno-cultural centre; • Must apply annually; • Cannot be in arrears of taxes; and • Must notify City of change in status.

- Full details of these rebate programs are available at: City of Toronto Municipal Code, Chapter 767 – Taxation – Article IX (Tax Rebate Program for Veteran's Clubhouses and Legion Halls) and Article VII (Tax Rebate Program for Ethno-Cultural Centres). See:
  http://www.toronto.ca/legdocs/municode/1184_767.pdf

Exemptions for Exhibition Buildings

- Council, in July of 2000, adopted a process and criteria for consenting to property tax exemptions for exhibition buildings, a category of exemption provided for in Section 3(1)16 of the *Assessment Act*. In order to be made exempt, the following criteria must be met:
  - The exemption may only apply to land of a company formed for the erection of exhibition buildings (and only where Council has consented to the exemption).
  - The applicant must be providing an exhibition (such as arts, culture, history or any other display considered by Council as appropriate) available to all residents of the City of Toronto and if an entrance fee is charged to the exhibit or exhibit space, it must be a reasonable fee;
  - The applicant must be a non-profit organization;
  - The applicant must be providing a major, one-of-a kind exhibit which provides cultural, educational, and/or historical benefits to the community as a whole; and
  - Each application is unique and should be considered on its own merits.

- Council has previously exercised its powers under this section of the *Assessment Act* to provide an exemption for taxes for buildings used for exhibition purposes. These are identified in Table 3 below.

Table 3 - Exemptions for Exhibition Buildings

Organization & Location	Legislative Support	Date Exemption Granted	Tax Exemption Supported by
Canadian Museum for Textiles 55 Centre Avenue	Subsection 3(1)16 of the *Assessment Act*	May 1992	Former City of Toronto
Hockey Hall of Fame 30 Yonge Street	Subsection 3(1)16 of the *Assessment Act*	October 1993	Former City of Toronto
Bata Shoe Museum 327 Bloor Street West	Subsection 3(1)16 of the *Assessment Act*	June 1995	Former City of Toronto
Canada's First Post Office 260 Adelaide Street East	Subsection 3(1)16 of the *Assessment Act*	July 2000	City of Toronto

Attachment 2
Exemptions from Property Tax under Section 3 of the *Assessment Act**

Section	Description
S.3(1)1	Land owned by Canada or any Province
S.3(1)2, 2.1, 2.2	Cemeteries, burial sites
S.3(1)3	Churches or place of worship
S.3(1)4	Public education institutions - university, college, community college or school
S.3(1)5	Non-profit philanthropic, religious or educational seminary of learning
S.3(1)6	Public Hospitals
S.3(1)6.1	Children's treatment centre that receives provincial aid under the *Ministry of Community and Social Services Act*
S.3(1)7	Care homes
S.3(1)8, 8.1	Highways, toll highways
S.3(1)9	Land owned by a municipality
S.3(1)10	Property owned, occupied and used solely and only by The Boy Scouts Association or The Canadian Girl Guides Association
S.3(1)11	Land owned, used and occupied by a non-profit philanthropic corporation for the purpose of a house of refuge, the reformation of offenders, the care of children or a similar purpose but excluding land used for the purpose of a day care centre
S.3(1)12	Land owed, used and occupied by, i) The Canadian Red Cross Society ii) The St. John Ambulance Association, or iii) any charitable, non-profit philanthropic corporation organized for the relief of the poor if the corporation is supported in part by public funds.
S.3(1)13	The property of a children's aid society
S.3(1)14	Public libraries, scientific or literary institutions
S.3(1)15	Battle sites

Section	Description
S.3(1)16	Exhibition buildings of companies
S.3(1)17, 18, 19	Machinery - For manufacturing or farming - For producing electric power - For energy conservation
S.3(1)19	Forestry purposes (One acre for every ten acres of farmland)
S.3(1)20	Mineral lands and minerals
S.3(1)21	Property of telephone and telegraph companies
S.3(1)22, 22.1	Improvements for seniors and persons with a disability and garden suites
S.3(1)23	Amusement rides
S.3(1)24	Airports
S.3(1)25	Conservation lands
S.3(1)26, 27	Small theatres, large non-profit theatres
S.3(1)28	Hydro Electric generating stations
S.3(1)29	Poles and wires owned by a power utility
S.3(2)	International bridges and tunnels
S.3(4)	Lands owned by religious organizations used for recreational purposes
S.3(6)	Land owned by the Navy League of Canada
S.3(6.1)	Land used as a memorial home, clubhouse or athletic grounds for veterans

***** Adapted from the *Assessment Act*, R.S.O. 1990, Chapter A.31. For the full text of the *Assessment Act*, see: http://www.e-laws.gov.on.ca/html/statutes/english/elaws_statutes_90a31_e.htm

Attachment 3
Property Tax Exemptions approved prior to 1998 by Private Legislation

Name	Location	Year and Chapter	Notes
Associations (other than Co-operatives)			
Korean Canadian Cultural Association of Metropolitan Toronto	1133 Leslie St	1997,c.Pr.14	Now falls under Tax Rebate program for Ethno-cultural Centres
Educational Institutions			
Frontier College	35 Jackes Avenue	1983,c.Pr21	
Master's College and Seminary	3080 Yonge Street	1983,c.Pr34; 1991,c.Pr5	No longer exempt at this location. Master's College has moved to Peterborough.
Royal Conservatory of Music	273 Bloor Street West	1991,c.Pr17	
Homes and Refuges			
Ina Grafton Homes	2 O'Connor Drive	1942,c.48	
Religious Institutions			
Dovercourt Baptist Foundation	1140 Bloor Street West	1976	
Religious and Benefit Societies			
Bikur Cholim	506 Coldstream Avenue	1992,c.Pr30	Now falls under Tax Rebate program for Ethno-cultural Centres
Italian Canadian Benevolent Corporation (Toronto District)	3010 Dufferin Street, 3050 Dufferin Street, 901 Lawrence Avenue, 40 Playfair Avenue	1980,c.104	
Sisters of Social Service	500 Huron Street	1989,c.Pr6	
Societies, including Community and Ethno-Cultural Centres			
Alex Manoogian Cultural Centre (Armenian-General Benevolent Union),	930 Progress Avenue	1983,c.Pr45	
Armenian Community Centre	45 Hallcrown Place	1981,c.75	Now falls under Tax Rebate program for Ethno-cultural Centres
Bathurst Jewish Centre	4588 Bathurst	1997,c.Pr5	Now falls under Tax Rebate program for Ethno-cultural Centres
Chinese Cultural Centre of Greater Toronto Foundation	5183 Sheppard Ave E	1997,c.Pr8	Now falls under Tax Rebate program for Ethno-cultural Centres
Enoch Turner Schoolhouse Foundation	106 Trinity Street	1985,c.Pr12	
Hungarian Canadian Cultural Centre (Hungarian House)	836 St. Clair Avenue, West	1983,c.Pr44	
The Jamaican Canadian Association	995 Arrow Road	1997,c.Pr18	Now falls under Tax Rebate program for Ethno-cultural Centres
Japanese Canadian Cultural Centre	6 Garamond Court	1982,c.73; 1997,c.Pr13	Now falls under Tax Rebate program for Ethno-cultural Centres
Latvian Canadian Cultural Centre	4 Credit Union Drive	1981,c.93	
Miles Nadal Jewish Community Centre (formerly Bloor Jewish Community Centre)	750 Spadina Avenue	1951 1997,c.Pr6	Now falls under Tax Rebate program for Ethno-cultural Centres
Scandinavian Canadian Centre	91 Stormont Avenue	1984,c.Pr13	
Ukrainian Cultural Centre	83 Christie St	1982,c.91	

Name	Location	Year and Chapter	Notes
United Jewish Welfare Fund	4600 Bathurst Street	1984,c.Pr27	
Young Men's Christian Associations, Young Women's Christian Associations			
Toronto West End Y.M.C.A.	931 College Street (previously 2665 Dundas St. W.)	1909,c.160; 1923,c.106,s.14	
Toronto Y.M.C.A.	20 Grosvenor Street (previously 42 Charles Street)	1868,c.59; 1890,c.147; 1923,c.106	
Toronto (Metropolitan) Y.W.C.A.	87 Elm Street (previously 2160 Yonge Street)	1960,c.176	
Miscellaneous			
Bernard Betel Centre for Creative Learning	1003 Steeles Avenue, West	1983,c.Pr16	
Canadian Legion of the British Empire Service League	Various	1946,c.112; 1946,c.124; 1950,c.107; 1965,c.167; 1990,c.Pr4	Eligible locations now fall under Tax Rebate program for Veteran's Clubhouses.
Canadian Opera Company	223 Front Street East 145 Queen Street West	1987,c.Pr16	
Children's Oncology Care of Ontario, Inc. (Ronald McDonald House)	240 McCaul Street (previously 26 Gerrard Street East)	1986,c.Pr2; 1993,c.Pr43	
Massey Hall	51 Shutter Street	1983,c.Pr35	
National Ballet of Canada	470 Queens Quay West	1997,c.Pr3	Now falls under Tax Rebate program for Ethno-cultural centres
Roy Thompson Hall	60 Simcoe Street	1983,c.Pr35	

Adapted from: *Table of Private Statutes*, E-laws Website, Government of Ontario, Nov. 12, 2012
http://www.e-laws.gov.on.ca/html/tables/privatestatutes/elaws_t_pr_st_tprs.htm

Attachment 4
Estimated Property Taxes for TIFF Bell Lightbox and Festival Tower Condominium Premises

Table 1 - Estimated Property Taxes for TIFF Bell Lightbox and Festival Tower Condominium Premises

Taxation at Full CVA	Total		After Tax Rebate		**Estimated Taxes to be Paid to City**			
	$3.8M		$600,000		$3.2 M			
	Festival Tower, et al	TIFF Bell Lightbox	Festival Tower, et al	TIFF Bell Lightbox	Festival Tower, et al		TIFF Bell Lightbox	
					Municipal	Education	Municipal	Education
	$ 2.3M	$ 1.5M	$ 2.3M	$ 0.9M	$ 1.33M	$ 0.96M	$ 0.52M	$ 0.37M

Table 2 - Estimated Property Taxes Collected with Support of Private Members Bill for Tax Exemption for the TIFF Bell Lightbox

Taxation at Full CVA	Total		Private Members Bill for Tax Exemption for TIFF Bell Lightbox		**Estimated Taxes to be Paid to City**			
	$3.8M				$ 2.3M			
	Festival Tower, et al	TIFF Bell Lightbox	Festival Tower, et al	TIFF Bell Lightbox	Festival Tower, et al		TIFF Bell Lightbox	
					Municipal	Education	Municipal	Education
	$ 2.3M	$ 1.5M	$ 2.3M	$ 0M	$ 1.33M	$ 0.96M	$ 0M	$ 0M