
City Council

Motion without Notice

MM51.45	ACTION			Ward:20
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**Property Tax Exemption for Toronto International Film Festival (TIFF)
Bell Lightbox at 350 King Street West - by Councillor Michael
Thompson, seconded by Deputy Mayor Norman Kelly**

** Notice of this Motion has not been given. A two-thirds vote is required to waive notice.
* This Motion is subject to referral to the Toronto and East York Community Council. A two-thirds vote is required to waive referral.
* This Motion has been deemed urgent by the Chair.*

Recommendations

Councillor Michael Thompson, seconded by Deputy Mayor Norman Kelly, recommends that:

1. City Council authorize the introduction of a by-law directly to City Council to enable a property tax exemption and cancellation for municipal and school purposes other than local improvement rates for certain portions of the property municipally known as 350 King Street West (“Specified Property”) occupied and used by the Toronto International Film Festival Inc. (“TIFF”) subject to the requirements set out in Recommendation 2 and any other requirements of the Toronto International Film Festival Inc. Act (Tax Relief), 2014, S.O. 2014, c. Pr3 (the “Act”).
2. City Council direct that the implementation of Recommendation 1, including the introduction of necessary bills, incorporate the following provisions, as permitted by the Act:
 - a. That an exemption from taxation for municipal purposes (other than local improvement rates) be effective beginning January 1, 2014, provided that:
 - i. The Specified Property is occupied and used solely by the Toronto International Film Festival Inc (TIFF);
 - ii. TIFF is the registered owner of the Specified Property; and
 - iii. TIFF is a registered charity.

- b. That the property taxes for municipal purposes other than local improvement rates on the Specified Property owned by the Toronto International Film Festival at 350 King Street West are cancelled for 2013.
- c. That the property taxes for school purposes are also made exempt and cancelled, as the case may be, for the periods specified above for the municipal portion of taxes.
- d. That the by-law require that the tax exemption does not come into force unless TIFFF enters into an agreement with the City, where the agreement stipulates that if TIFFF sells, leases or otherwise disposes of the Specified Property, the City may require repayment of the property taxes provided through the tax exemption, and that this agreement be registered on title to the Specified Property. The agreement shall include any other terms and conditions that are appropriate and any terms required by the Act.
- e. If the Specified Property is sold, leased or otherwise disposed of, the amount of taxes repayable to the City is the amount of taxes that would have been paid (without the exemption) for the shorter of the following two periods:
 - i. 10 years preceding the date of the sale/lease/other disposition; or
 - ii. The period of time from when the by-law was enacted to the date of the sale, lease or other disposition.
- f. The agreement identified in Part 2.d. above between TIFFF and the City also provide that if, in the two years following TIFFF's sale, lease or other disposition of the Specified Property, TIFFF acquires other lands in the City of Toronto and meets the requirements for exemption as set out under Part 2.a. above, the amount of taxes identified above is not repayable, but shall remain repayable if the further acquired parcel is subsequently, sold, leased or disposed of.
- g. Where other lands are acquired as identified in Part 2.f. above, the City shall transfer the tax exemption to the subsequently acquired parcel, and register the agreement on title to the new parcel and introduce any bills necessary directly to Council.
- h. If Council revokes the by-law on grounds permitted under the Toronto International Film Festival Inc. Act (Tax Relief), the revocation does not affect the validity of any agreement between the Toronto International Film Festival and the City of Toronto, or change any of the terms respecting the payment of amounts owing under the agreement.

Summary

At its meeting of May 7, 8, 9 and 10, 2013 Council confirmed its support for the Toronto International Film Festival (TIFF) in its efforts to obtain Provincial legislation through a Private Member's bill that would enable City Council to exempt the portion of the new Bell Lightbox at 350 King Street West occupied by TIFF from property taxes. See:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX31.10>

On February 6, 2014 Private Bill Pr27: *An Act Respecting Toronto International Film Festival Inc.* was introduced in the legislature for first reading. Bill Pr27 received final reading and Royal Assent on April 29, 2014, and has now become enacted as law, as of the date of Royal Assent. The Royal Assent version of the bill is available at:

http://www.ontla.on.ca/bills/bills-files/40_Parliament/Session2/pr027ra.pdf

Bill Pr27 is permissive in nature, in that it allows the City of Toronto to enact by-laws to provide for a property tax exemption for the TIFF Bell Lightbox property, subject to the provisions of the bill and any conditions outlined within the bill that the City chooses to impose in order to provide the tax exemption.

(Submitted to City Council on May 6 and 7, 2014 as MM51.45)

Background Information (City Council)

Member Motion MM51.45

(<http://www.toronto.ca/legdocs/mmis/2014/mm/bgnd/backgroundfile-69072.pdf>)