



June 7, 2016

Mayor Tory and Members of City Council
c/o Toronto City Clerk (Secretariat Contact: Marilyn Toft)
12th Floor, West Tower, City Hall
100 Queen Street West,
Toronto, ON M5H 2N2
Email: clerk@toronto.ca

Mayor Tory & Members of City Council:

Re: Toronto City Council Meeting, June 7, 2016
Item No. MM19.11 – Additional Funding for the Arts:
Third Party Sign Tax Revenue

Pattison Outdoor Advertising, is writing in respect to the Members Motion 19.11, noted above, which will be brought forward at this session of Toronto City Council, for its consideration.

The industry has had no previous notice of this motion and the impacts it can have moving forward. The industry contributes in excess of \$ 11 million annually to the City by way of the Third Party Sign tax (TPST), which commenced in 2010, and has since increased, annually by way of a cost of living increase. To consider increasing the TPST, over and above a yearly cost of living increase, will further increase the financial burden on our industry.

Furthermore, in addition to the \$11 million the industry contributes to the City, earmarked for the Arts, this industry provides free advertising space to the Arts, charities and non-profits, estimated at \$10 million annually.



At this time, City Council, should also be aware that through MPAC, and its property assessment of properties containing a sign structure, the industry will further be contributing revenues to the City of Toronto, an additional \$1.5 million plus annually. The MPAC tax will be collected through property taxes and is retroactive to 2014.

This will result in our industry paying a double tax, for the same sign structure located on a property, be it a TPST, and a property tax at the same time. We are not aware of any other business, whereby the same jurisdiction collects two taxes. The industry believes this to be a clear violation of the principal of fair taxation.

In light of the City of Toronto looking to increase the annual revenues generated by the TPST, and, the contents of the Member Motion before you, we feel consultation sessions with the industry should be scheduled, before any staff reports are prepared and submitted to your Planning and Growth Management Committee.

Yours truly,

A handwritten signature in blue ink, appearing to read "Randy Otto".

Randy Otto
President

Pattison Outdoor Advertising LP



Tracking Status

- This item will be considered by [City Council](#) on June 7, 2016.

City Council consideration on June 7, 2016

Notice of Motion

MM19.11	ACTION			Ward:All
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Additional Funding for the Arts: Third Party Sign Tax Revenue - by Councillor Mary Fragedakis, seconded by Councillor Kristyn Wong-Tam

- * *Notice of this Motion has been given.*
- * *This Motion is subject to referral to the Planning and Growth Management Committee. A two-thirds vote is required to waive referral.*

Recommendations

Councillor Mary Fragedakis, seconded by Councillor Kristyn Wong-Tam, recommends that:

1. City Council request the Chief Building Official and Executive Director, Toronto Building to review the various Sign Classes and Tax Rates in the Third Party Sign Tax By-law and report to the Planning and Growth Management Committee in the Fall of 2016, on possible amendments to Chapter 771 of the Municipal Code, to increase the annual revenues generated by the Third Party Sign Tax.

Summary

The Third Party Sign Tax was developed in 2009 in conjunction with the development of the Sign By-law, and implemented in 2010. One of the objectives of the Third Party Sign Tax was to further implement the goals and objectives of the Sign By-law. Signs permitted by the Sign By-law pay a lower tax rate, signs not permitted by the Sign By-law and/or with greater impacts on the public realm pay a higher tax rate. Since 2010, the inventory and mix of third party signs in the City has been changing. Some signs types have been increasing, other sign types have been decreasing. With changes to the inventory of third party signs in the City as well as changes to the Sign By-law since 2010, is the third party sign tax able to generate additional revenues, while still being a fair tax?

Background Information