

October 8, 2020

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**RE: 60 Mill Street – Toronto East York Community Council Meeting October 15, 2020
Zoning By-law Amendment Application Item TE 19.8**

On behalf of the Greater Toronto Hotel Association (GTHA), I am writing in support of new hotel development in the City of Toronto's Distillery District and believe the proposed plan for 60 Mill Street can play a vital role in the revitalization of our industry.

As Members of Council will know, the hotel and accommodation sector has faced an unprecedented and catastrophic decline in revenue as a result of the global health pandemic. While it may seem counterintuitive to be discussing new hotel construction at a time when most hotels are experiencing less than 20% occupancy, we are nonetheless focused on measures that will help the hotel sector to recover, which in turn, contributes to the economic vitality of the City and Province as a whole.

Leaving the specific merits of the development application for Council and the proponent to discuss, we do agree that this proposed hotel is a much need amenity in the area and will provide significant benefit to surrounding businesses. To bolster the popularity of the Distillery District as a tourist destination, we believe a hotel would allow visitors to stay in the area while exploring all that the neighbourhood and City have to offer.

Similar to new housing starts, hotel construction and renovations are key indicators of our industry's economic health and confidence. Unfortunately, new hotel room construction in Toronto has been lagging and is not keeping pace to meet the demands and needs in order to capitalize on vibrant tourism industry. Should this trend continue it will create long term damage to the hospitality and tourism industry in Toronto.

Tourism is a rich source of jobs for Canada with, nearly 1 in 10 jobs tied to tourism. Many jobs in the sector are skill-intensive, high-paying jobs, including management roles at hotels, data analysts, organizational travel managers, meeting and event planners, sales, graphic arts and marketing positions as examples. The tourism and hospitality sector also offer numerous entry-level opportunities for people looking to start their careers providing a pathway to future success.

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Toronto's visitor economy is vital for the City and Regional economy. Data from Destination Toronto and the Toronto Region Board of Trade, shows that visitors to Toronto generate and inject \$10.3 billion dollars annually into the economy from the City's 27.5 million visitors per year. The significant impact of our industry is felt through tax revenue, job creation and growth, and overall spending in many ancillary industries. The economic benefits should make supporting new hotel developments and creating opportunities to grow the visitor economy a key pillar of the City's Economic Plan.

We take enormous pride in the support we provide to Toronto's vibrant cultural industries such as music and film production, the numerous small and large multicultural festivals that occur all year long, and of course hosting convention and business travel. As acknowledged by the City's own Economic Development Report "a strong and vibrant tourism industry with a sufficient number of hotel rooms and meeting space is essential to the economic health of Toronto."

The lack of new hotel rooms development creates an environment for the growth of short term stay accommodations, which negatively impacts the availability of housing and increases housing costs. The City should be supportive of new hotel developments which will add millions of dollars annually in revenue to the City in the form of accommodation tax and property tax along with all the ancillary benefits that hotels create.

At a time of uncertainty, it is reassuring to see private sector investment in a new hotel which will complement the significant investment the City has made in creating the Distillery District. We encourage Council to consider the merits of this development application and hope that we can soon add a hotel to this unique area of the City.

Regards,



Terry Mundell
President & CEO
Greater Toronto Hotel Association