

## Sidewalks to Skylines: An Action Plan for Toronto's Economy (2025-2035)

**Date:** October 8, 2024

**To:** Economic and Community Development Committee

**From:** General Manager, Economic Development and Culture

**Wards:** All

### SUMMARY

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It has been over a decade since the launch of *Collaborating for Competitiveness*, the City of Toronto's last plan to advance economic development, with a focus on job creation and economic growth. Since then, new trends, challenges, and opportunities have emerged both at the global and the local level, reshaping the city's and regional industry competitiveness, supply chains, workforce dynamics and land use pressures. Given its fundamental strengths, Toronto is well positioned to face these challenges and leverage opportunities toward an economy that is competitive, inclusive, and advancing towards net zero emissions. Achieving this vision, however, will require a long-term plan with impactful actions, dedicated resources, and intentional and collaborative coordination with partners. Before aspirational targets for inclusive and sustainable economic growth can be met, the integrity of basic City services and the foundation they create for economic growth must first be addressed. This Action Plan sets out a vision to both get the basics right and set an aspirational agenda to drive Toronto's economy forward, confronting its challenges and leveraging its many strengths.

Guided by this bold vision, *Sidewalks to Skylines - an Action Plan for Toronto's Economy (2025-2035)* provides a roadmap for the City to strategically maximize its levers and collaborate with its partners to enhance Toronto's economy with a focus on livability, inclusivity, and prosperity in the next ten years. The Action Plan is the result of robust research and analysis of best practices in other jurisdictions, as well as extensive engagement and consultation with over 1,000 stakeholders, including business leaders, academics, small businesses, business associations, major employers, institutions, community coalitions, labour unions, and residents. It identifies three priorities: Strong Main Streets, Quality Jobs, and Global Competitiveness. These priorities are anchored by a foundational priority, Getting the Basics Right, which focuses on key City levers to improve quality of life and enable a business environment that optimizes conditions to achieve broader economic ambitions and facilitate economic prosperity.

The success of the Action Plan will be dependent on effective partnerships; it will also depend on the access to resources and revenues commensurate with the City's responsibilities as a municipal government to support Toronto's role as Canada's

leading global centre for commerce, creativity, and capital. To guide these efforts, in addition to a five-year work plan, the Action Plan highlights 29 leading actions, including 10 to strengthen the foundation and 19 to advance the priorities to drive meaningful change. To monitor the progress of the Action Plan, each of the 29 leading actions is accompanied by one or more success indicators. Progress will be reported to City Council on an annual basis.

In 2030, informed by the success of and lessons learned from the first five years, a new five-year work plan responsive to the economic context of the time will be presented for consideration by City Council. Through the implementation of the Action Plan, the City will help advance liveability, inclusion, and shared prosperity beyond the traditional measure of economic growth in partnership with other organizations and for all communities across Toronto.

## **RECOMMENDATIONS**

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The General Manager, Economic Development and Culture recommends that:

1. City Council adopt Sidewalks to Skylines: An Action Plan for Toronto's Economy 2025-2035, as outlined in Attachment 1.
2. City Council direct the General Manager, Economic Development and Culture and other relevant divisions, to include the staffing and resources required for Action Plan implementation for consideration through the 2025 Budget Process and subsequent years.
3. City Council direct the General Manager, Economic Development and Culture, in partnership with relevant divisions, to implement the actions in Sidewalks to Skylines: An Action Plan for Toronto's Economy 2025-2035, and report annually to the Economic and Community Development Committee on the progress of implementation, with the first annual report back by Q1 2026.
4. City Council direct the General Manager, Economic Development and Culture, in consultation with relevant divisions, to identify success indicators or relevant tracking measures for actions identified in the 2025-2029 Five-Year Work Plan as outlined in Attachment 1 in its first annual report back report to the Economic and Community Development Committee.
5. City Council direct the General Manager, Economic Development and Culture, in consultation with relevant divisions, to report to the Economic and Community Development Committee in Q4 2029 on the implementation of the actions in the Five-Year Work Plan and on a new five-year work plan for the second term of the Action Plan for Toronto's Economy, spanning 2030-2035.
6. City Council direct the General Manager, Economic Development and Culture, to develop a major event bidding and hosting strategy in partnership with Destination Toronto, other orders of government, stakeholders from the private sector and the

hospitality industry and report back to the Economic and Community Development Committee by Q4 2027.

7. City Council direct the General Manager, Economic Development and Culture to develop a growth management strategy for Business Improvement Areas to enhance the formation, management, support, and coordination between and governance of Business Improvement Areas and report back to the Economic and Community Development Committee by Q4 2025.

8. City Council direct the General Manager, Economic Development and Culture, in consultation with the Director, Indigenous Affairs Office, to partner with local Indigenous Nations, organizations, groups, businesses, and community members to co-develop an Indigenous Economic Strategy and report back to the Executive Committee by Q4 2026.

9. City Council authorize the General Manager, Economic Development and Culture to apply for, negotiate and enter into agreement(s) with other governments, institutions, agencies, and vendors as required to advance the Action Plan for Toronto's Economy (2025-2035), including partnership agreements, data sharing agreements, and funding agreements, in a form acceptable to the City Solicitor.

10. City Council forward the Action Plan for Toronto's Economy (2025-2035), as outlined in Attachment 1, to the following organizations and agencies for their consideration: Destination Toronto, PortsToronto, and the Greater Toronto Airports Authority.

11. City Council forward the Action Plan for Toronto's Economy (2025-2035), as outlined in Attachment 1, to the following provincial ministries for their consideration: the Ministry of Economic Development, Job Creation and Trade; the Ministry of Finance; the Ministry of Municipal Affairs and Housing; the Ministry of Labour, Immigration, Training and Skills Development; the Ministry of Children, Community and Social Services; and the Ministry of Tourism, Culture and Gaming.

12. City Council forward the Action Plan for Toronto's Economy (2025-2035), as outlined in Attachment 1, to the following federal departments and agencies for their consideration: Department of Finance Canada; Employment and Social Development Canada; Federal Economic Development Agency for Southern Ontario; Innovation, Science and Economic Development Canada; Transport Canada; Destination Canada; Invest Canada; and Global Affairs Canada.

## **FINANCIAL IMPACT**

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This report presents Sidewalks to Skylines: An Action Plan for Toronto's Economy, a comprehensive ten-year plan, and seeks City Council approval for the implementation of a mix of actions, as outlined in Attachment 1, that can be advanced within existing corporate resources, with other components requiring new or enhanced investments.

Short-term action items, except those noted below, can be implemented within existing resources and/or reallocation of budgets within impacted divisions. For 2025, the following resource requirements to support the implementation of the Action Plan are subject to approval and will be considered as part of the 2025 Budget Process:

- To hire an Indigenous Economic Development Officer to lead Indigenous economic development actions, the Economic Development and Culture Division will require \$0.068 million for 1 permanent FTE in 2025, annualized to \$0.138 million in 2026 (Action 5 and Action 64);
- To increase City business with Indigenous suppliers by co-developing an Indigenous procurement policy, the Purchasing and Materials Management Division will require ongoing funding of \$0.300 million in 2025, which will increase to \$0.450 million in 2026 (Action 9);
- To boost main street resilience and support thriving local commerce, the Economic Development and Culture Division will require ongoing funding of \$2.000 million in 2025 (\$1.000 million in Operating and \$1.000 million in Capital), which will increase to \$3.000 million in 2026 (\$1.000 million in Operating and \$2.000 million in Capital). In addition, \$0.198 million is required for 3 permanent FTEs in 2025 (\$0.135 million in Operating and \$0.064 million in Capital), which will increase to \$0.819 million for 6 permanent FTEs in 2026 (\$0.556 million in Operating and \$0.263 million in Capital) and \$1.121 million for 8 permanent FTEs in 2027 (\$0.849 million in Operating and \$0.271 million in Capital) (Actions 11, 14, and 15);
- To advance local workforce development, and build community wealth and local employment opportunities, the Economic Development and Culture Division will require ongoing funding of \$1.200 million (Actions 18 and 19);
- To grow Toronto’s global competitiveness in key anchor and high growth sectors, the Economic Development and Culture Division will require funding of \$0.138 million for 2 permanent FTE in 2025, annualized to \$0.281 million in 2026 (Action 23). In addition, one-time funding of \$0.500 million is required in 2025 and ongoing funding of \$1.165 million which will increase to \$1.235 million in 2026 and \$1.280 million in 2027 (Actions 22, 27, 29, 63, and 70).

Table 1: 2025 Funding requirements and future year impacts

Initiatives (\$ millions)		2025	FTE	2026	FTE	2027	FTE
Indigenous economic development actions (Action 5 and Action 64)	Operating	0.068	1.0	0.138	1.0	0.139	1.0
Indigenous procurement policy (Action 9)	Operating	0.300		0.450		0.450	

<b>Initiatives (\$ millions)</b>		<b>2025</b>	<b>FTE</b>	<b>2026</b>	<b>FTE</b>	<b>2027</b>	<b>FTE</b>
Boost main street resilience and support thriving local commerce (Actions 11, 14, and 15)	Operating	1.135	2.0	1.556	4.0	1.849	6.0
	Capital	1.064	1.0	2.263	2.0	2.271	2.0
Advance local workforce development, and build community wealth and local employment opportunities (Actions 18 and 19)	Operating	1.200		1.200		1.200	
Grow Toronto's global competitiveness in key anchor and high growth sectors (Actions 22, 23, 27, 29, 63, and 70)	Operating	1.803	2.0	1.516	2.0	1.562	2.0
<b>Total Resource Requirements</b>	<b>Operating</b>	<b>4.506</b>	<b>5.0</b>	<b>4.860</b>	<b>7.0</b>	<b>5.200</b>	<b>9.0</b>
	<b>Capital</b>	<b>1.064</b>	<b>1.0</b>	<b>2.263</b>	<b>2.0</b>	<b>2.271</b>	<b>2.0</b>
	<b>Operating and Capital</b>	<b>5.570</b>	<b>6.0</b>	<b>7.123</b>	<b>9.0</b>	<b>7.471</b>	<b>11.0</b>

The total funding required to implement the Action Plan in 2025, beyond existing resources, is \$5.570 million and 6 FTEs. Future financial impacts beyond 2025 will be considered in future year Budget processes, subject to the City's financial and resource capacity against other critical City-wide capital priorities and operating impacts. The full implementation of the Action Plan requires ongoing resources and commitment from partners and multiple levels of government - the City does not have the resources, funding, authority, and jurisdiction to achieve all its goals independently.

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with this Action Plan to be considered along with other priorities in future budget processes.

**EQUITY IMPACT STATEMENT**

The Action Plan for Toronto's Economy (2025-2035) recognizes that while Toronto has experienced significant economic growth over the past few decades, opportunities and prosperity have not been shared equitably across neighbourhoods, sectors, and communities. To realize a livable, inclusive and prosperous city that is globally competitive, the Action Plan proposes actions that will help address, reduce and remove barriers faced by Indigenous, Black, and other equity-seeking groups.

Through its implementation, the Action Plan will have a high positive equity impact on Indigenous, Black, and other equity-deserving communities by improving access to City services, training and/or employment, and increasing overall economic development opportunities. The Action Plan will also facilitate collaboration among City divisions to advance Toronto's reconciliation and equity strategies, including the Reconciliation Action Plan, the Action Plan to Confront Anti-Black Racism, the Multi-Year Accessibility Plan, and others. Through its alignment with and advancement of these long-term City strategies, the Action Plan will address other barriers experienced by equity-deserving communities, such as access to affordable housing, safety, and security, while bolstering these communities' sense of identity and belonging.

## DECISION HISTORY

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At its meeting on February 14, 2024, City Council adopted the 2024 Budget, which included a reallocation of \$0.5 million to support the implementation of the forthcoming Action Plan for Toronto's Economy.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.MPB15.1>

At its meeting on May 10, 2023, City Council adopted item EC3.5 - Employment Services Transformation: Recommendations on the City's Role, and directed staff to report back in 2024, alongside the Economic Development Plan and Inclusive Economic Development reports, on opportunities to strategically coordinate and collaborate with other orders of government on City workforce development initiatives, with a focus on low-income residents, social assistance clients and equity-deserving communities.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.EC3.5>

At its meeting on March 29, 2023, City Council adopted the motion MM5.20, which requested the General Manager, Economic Development and Culture to report on a plan that could allocate revenue attributable to the Municipal Accommodations Tax to initiatives and programs that directly support the tourism and hospitality sector.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.MM5.20>

At its meeting on December 16, 2020, City Council considered item EC18.15 - Building Back Stronger: Report of the City of Toronto's Economic and Culture Recovery Advisory Group, which included 18 recommendations grouped into four key areas: economic recovery, anti-racism and inclusion, workforce and talent, and arts and culture. City Council voted to forward the report to the City Manager for review and implementation as part of the City's ongoing COVID-19 recovery efforts.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EC18.15>

At its meeting on February 20, 2013, City Council adopted item ED19.4 - Collaborating for Competitiveness: A Strategic Plan to Accelerate Economic Growth and Job Creation in Toronto, supporting the creation of a more attractive climate for business and investment attraction, foster job creation, and improve the City's finances.

<https://secure.toronto.ca/council/agenda-item.do?item=2013.ED19.4>

## COMMENTS

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### Background

Toronto is Canada's principal economic engine and a global centre for commerce, creativity, and capital. Amongst one of the most successful cities in the world in terms of economic growth, Toronto has enjoyed rapid growth in its population and Gross Domestic Product (GDP) for decades. Toronto currently contributes to 20 percent of Canada's GDP and 53 percent of Ontario's GDP. Benefiting from a diversified local economy, the city is competitive in nearly every sector and has notably strong financial services, technology, life sciences, food and beverage, manufacturing, and creative industries. Toronto's financial services sector is the second largest in North America, with the fastest job growth rate on the continent and the fifth-fastest in the world. Its tech sector is the third largest in North America, after the Bay Area and New York City; and its film and music industry rank third in North America, after New York City and Los Angeles. The city's economy is competitive, diverse, and growing.

In 2013, City Council adopted [Collaborating for Competitiveness: A Strategic Plan for Accelerating Economic Growth and Job Creation in Toronto](#). Through its implementation, the strategic plan reaffirmed the City's commitment to foster a more attractive climate for business and investment growth. It encouraged job and sector growth through the development and implementation of dedicated recruitment strategies for high-growth sectors. It strengthened Toronto's economic competitiveness by supporting start-ups and investing in business incubation networks, programs, and services. It also facilitated multiple key initiatives, established an Economic Growth and Job Creation Advisory Committee, redesigned vacant commercial and industrial tax relief programs, and participated in multiple regional and sector-specific alliances. Coming as it did, at the forefront of a historic period of growth for Toronto's economy, the strategic plan concerned itself less with the issues of economic inequality and sustainability that have subsequently emerged as risks to Toronto's future livability and prosperity.

Despite the success of the strategic plan in guiding the City's economic development activities, it has been over 10 years since its adoption; new trends, challenges, and opportunities have emerged both at the global and the local level. Globally, the world economy is becoming larger, more integrated and internationally competitive. Digital transformation and emerging technologies like artificial intelligence are gaining prominence and changing the way businesses operate. Climate change and the recognition of the need for adaptation and mitigation strategies have influenced business practices, costs, and targets while accelerating the growth of the green economy. The landscape changes in international trade have, in turn, impacted supply chain dynamics, causing shifts in the manufacturing sector worldwide.

Stronger international competition for investment, talent, visitors, and events is a competitive challenge to Toronto's position as the economic engine of the provincial and national economies. In addition, aging population and persistent income inequality across the globe have contributed to a new economic landscape. Most recently, the COVID-19 pandemic has brought forth lasting challenges and opportunities by

disrupting the existing modes of economic activities. The rise of popularity in remote and hybrid work, technology-driven changes, and new business practices have reshaped city and regional competitiveness, impacting supply chains, workforce dynamics; they have also introduced new land use pressures.

Locally, Toronto has a high-performing economy and boasts numerous competitive economic advantages. It has a network of mature and stable financial and governance institutions, multiple globally leading academic institutions, and is consistently ranked by leading global authorities as one of the top cities in the world to live in. Its key economic sectors are globally competitive and rapidly growing. However, it faces multiple localized challenges. Rapid growth has placed mounting pressure on infrastructure development. Housing accessibility and affordability continue to remain as significant challenges to residents as the cost of living and overall home prices are anticipated to continue to rise. Additionally, while Toronto's economy has experienced GDP and employment growth over the past decade, opportunities and prosperity have not been shared equitably across neighbourhoods, sectors, and communities.

To confront these challenges, Toronto must address the nascent threats to its global competitive position by investing in key strategies to drive future growth and shared prosperity. At the forefront of these ambitious strategies is the access to a new fiscal arrangement with other orders of government that both supports Toronto's critical needs in infrastructure and services, and also provides the fuel for Toronto as Canada's economic engine.

These trends, threats, and opportunities call for a new plan to guide the economic development activities in the next decade, a plan that recognizes the need for access to resources and revenues that are commensurate with Toronto's responsibilities as a municipal government and Toronto's role as a leading global centre for commerce, creativity, and capital. This new Action Plan for Toronto's Economy (2025-2035) (the Action Plan) establishes a bold long-term vision while identifying specific actions that the City can take in its first term, 2025 to 2029; it recognizes that the successes, opportunities, and challenges of the next five years will help inform an impactful work plan for the subsequent term, 2030 to 2035.

## **Strategic Alignment**

The levers of economic growth, and how such gains are distributed, reside in part with the City, but are frequently outside the City's direct control. To realize the ambitions of the Action Plan, the City recognizes that it needs to better coordinate across the many City Divisions and Agencies that support economic growth, and better coordinate such efforts among external partners, such as other levels of government, educational institutions, and various civil society actors. In this sense, the Action Plan builds on and amplifies whenever possible the priorities in the City's current multi-year strategies, including the Toronto's Poverty Reduction Strategy, TransformTO, the Action Plan to Confront Anti-Black Racism, HousingTO, the Visitor Economy Strategic Directions, the Reconciliation Action Plan, and others. The Action Plan also aligns with the Toronto Official Plan, which supports Toronto's leadership role in building a more liveable, inclusive region, championing Toronto's competitive position as a business location which reflects the diversity and strength of the broader regional economy. As such, the



Action Plan was developed in close collaboration with City divisions leading these multi-year strategies and its implementation will also be undertaken in close collaboration to ensure that the outcomes continue to serve the City's overall corporate priorities in a strategic manner.

Recognizing that culture and creativity are key drivers for economic growth and contribute to Toronto's power to attract and retain talent, the Action Plan was developed in tandem with *Culture Connects: an Action Plan for Culture in Toronto (2025-2035)*, which is being brought to the Economic and Community Development Committee for consideration during the same Council cycle. Further, acknowledging that inclusive economic development principles can only be developed in close collaboration with community organizations, a subsequent report titled *A Framework to Advance Inclusive Economic Development*, which is currently under development as further engagement is being conducted; this report will be brought to Council by Q4 2024.

### **Developing the Action Plan: Partnerships, Engagement, Consultation**

The Action Plan was developed in close collaboration with City divisions and agencies, including Toronto Building; City Planning; Office of Chief Financial Officer and Treasurer; Financial Planning; Revenue Services; Strategic Public and Employee Communications; Solid Waste Management Services; Employment and Social Services; Toronto Public Library; Social Development, Finance and Administration; CreateTO; Transportation Services; Transit Expansion; Environment and Climate; Municipal Licensing and Standards; Purchasing and Materials Management; Indigenous Affairs Office; Parks, Forestry and Recreation; Housing Secretariat; and the Toronto Transit Commission.

Led by Economic Development and Culture (EDC), the development of the Action Plan benefited from extensive research and analysis, consultation, and stakeholder engagement activities (reaching over 1,000 individuals) throughout 2023 and 2024. This multi-modal approach allowed the Action Plan to be informed by data and evidence, as well as diverse perspectives from a broad range of stakeholders, including small businesses, business associations, major employers, institutions, community coalitions, labour unions, academics, and residents. The engagement process placed great emphasis on ensuring that the development of the Action Plan was informed by inputs from equity-deserving populations, including Indigenous voices and the voices of people with disabilities.

As part of the Action Plan development, an Economic Advisory Panel (the EAP) was formed in spring of 2023, and it was convened eight times in total. The EAP was comprised of 28 subject matter experts, including key business leaders, sector experts, and community and academic leaders. The EAP was tasked with providing critical advice to shape the City's response to Toronto's rapidly evolving economic landscape. Among other topics, the EAP highlighted the need for the City to maintain a competitive mix of business incentives to ensure productivity and business retention, to enable employment growth in key sectors and areas, and to promote sustainability and resiliency among other important topics. Their critical advice to the City can be found in *The Next Toronto: a Plan for Growth and Shared Prosperity in Toronto for the Next Decade*, which is contained in Attachment 2.

In addition, EDC commissioned the Canadian Urban Institute (the CUI) to engage stakeholders in winter 2023 and throughout 2024. The engagement activities included:

- a virtual discussion panel ("CityTalk kick-off session") with 85 attendees;
- 7 sector-specific focus group sessions (Building and Construction; Financial Services; Innovation and Tech; Life Sciences and Bio Medical; Manufacturing; Media and Entertainment; and Tourism) with 99 attendees;
- 7 geographic-focus group sessions (Etobicoke; North York; Scarborough; Toronto-East York; Central Business Districts and the Future of Work; and two Cultural and Newcomer Non-Profit Clusters) with 38 attendees;
- 34 one-on-one key informant interviews with community-based non-profits, business leaders and founders, and cultural business associations; and
- 222 responses to a public survey that was available on the City's website for 6 weeks through January and February 2024.

In total, the CUI consulted nearly 500 individuals, organizations, and small businesses across a range of sectors. Additionally, the CUI partnered with Mokwateh, an Indigenous-led consultancy firm, to explore topics on Indigenous economic participation and reconciliation to inform actionable options on labour development and business development. Engagement details and findings can be found in the report by the CUI, *What's Next for Toronto's Economy: Toward a More Competitive, Inclusive, and Sustainable City*, which is contained in Attachment 3; and in the report by Mokwateh, *Indigenous Engagement: Economic Development Strategic Options*, which is contained in Attachment 4.

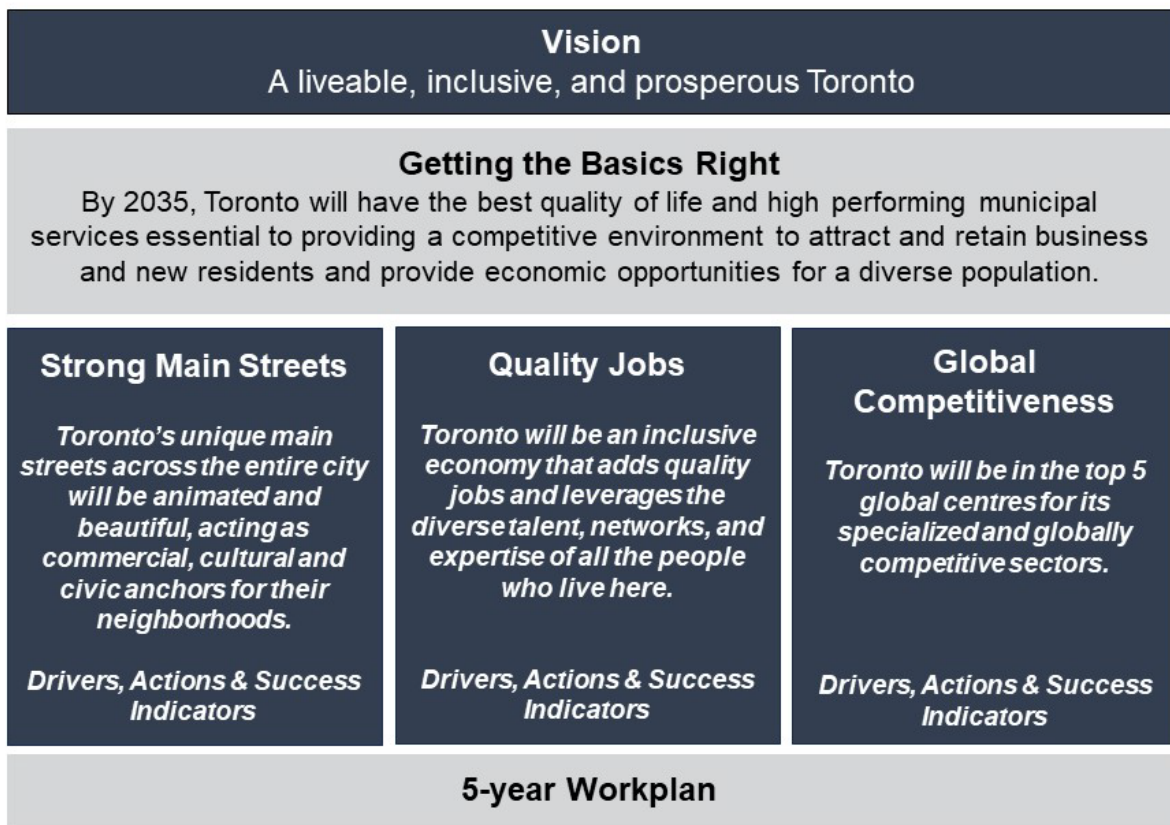
This comprehensive engagement was complemented by presentations and consultations with four Council Advisory Bodies, and by 12 additional community-specific engagement tables led in partnership with Deloitte. Examples of the topics covered include the future of talent attraction; accessibility; support for Toronto's creative industries; Business Improvement Areas (BIAs) needs, etc. These community-specific engagement tables sought feedback from various subject matter experts and representatives from key impacted populations, collecting input from 429 participants. A summary of the community-specific engagement can be found in Attachment 5.

Finally, in recognition that prosperity has not been shared equitably across communities, a partnership was formed with the Diversity Institute at the Toronto Metropolitan University to explore the current state of shared prosperity in Toronto through economic indicators. The research findings were embedded throughout the Action Plan. Relevant economic trends were also identified, helping inform the vision and the actions of the Five-Year Work Plan.

## **The Action Plan for Toronto's Economy**

The Action Plan, included in Attachment 1, is a comprehensive ten-year action plan that provides a roadmap to guide and shape Toronto's economic development for the next decade. To build a liveable, inclusive, and prosperous city, the Action Plan identifies 3 priorities: 1. *Strong Main Streets*, 2. *Quality Jobs*, and 3. *Global Competitiveness*, anchored by a foundational priority, *Getting the Basics Right*, which focuses on key City

levers to improving liveability and enabling a business environment that optimizes condition to achieve broader economic ambitions and facilitate economic prosperity. The Action Plan includes a 5-Year Work Plan that outlines the actions the City will implement. The image below summarizes the structure of the Action Plan:



The foundation and the three priorities contain actions that will be tracked throughout the lifespan of the Action Plan. A total of 29 leading actions are identified, including 10 to strengthen the foundation and 19 to advance the three priorities. These leading actions have the potential to make meaningful impact in Toronto's economy by generating momentum, building trusted partnerships, and unlocking new opportunities. Details can be found in Attachment 1.

### **Foundation: Getting the Basics Right**

Toronto is regarded as one of the most desirable cities in the world to do business, consistently noted for its location, quality of life, high quality talent, and friendly start-up environment. Like many other cities, Toronto's competitive economy is dependent on the key inputs to business formation and location, as well as the workforce it attracts, retains, and supports. By ensuring the key inputs for business formation are readily available and can adequately support growth and long-term sustainability, Toronto will have greater capacity to be responsive and adaptive to changing economic conditions, making it a more attractive destination for businesses and talent.

Stakeholders have been vocal on the importance of quality of life being a key consideration for employers, talents, and potential investors throughout the consultation process. Attainable and affordable housing, cost of living, mobility and congestion, and

safety are critical elements that enable a productive economic engine. Through the implementation of the Official Plan and various long-term strategies, such as SafeTO, HousingTO 2020-2030 Action Plan, TransformTO, the City is taking proactive actions to address various threats to quality of life and building a city that is inclusive, safe, livable, vibrant, and resilient. Such actions help strengthen Toronto's position as a global destination for business and talent attraction.

Through the Action Plan, the City will advocate for more sustainable intergovernmental funding for long-term growth; support the development of new and protect existing affordable homes; expand mobility options across the city; address and advocate for the needs of those in crisis; and support sustainable transportation options.

To strengthen this foundation, the leading actions and their respective success indicators include:

Leading Actions	Success Indicators
<p><i>1. Achieve a new long-term intergovernmental funding deal for Toronto.</i> Build the case publicly for a long-term funding agreement with Ontario and Canada, to commit to a predictable funding formula for infrastructure and housing investment that includes capital and operating funds, to equip the City and region with the resources they need for continued growth (i.e. transit, port, broadband).</p>	<p>(1) Long-term funding agreement in place by 2030; and  (2) Enhanced business and resident confidence affecting investment decision-making.</p>
<p><i>2. Build on Toronto's world-leading talent to create the most competitive business environment in North America.</i> Reduce the commercial-residential property tax ratio to 50% less than residential levy increases in any given year, until the provincial ratio is met. Replace the existing Imagination, Manufacturing, Innovation &amp; Technology (IMIT) program with an incentive program to support targeted employment uses, increase high-quality jobs, stimulate investment across the city, drive broader city-building goals, and enhance Toronto's competitive edge.</p>	<p>(1) Continue increasing the annual commercial property tax rate at 50% of the residential rate in any given year, until the provincial ratio is met; and  (2) Implement IMIT Incentive program successor by end of 2025.</p>
<p><i>3. Urgently address street homelessness, mental health and addiction.</i> The City will work with provincial ministries, agencies, and across City government to coordinate person-centred interventions that ensure mental health support and Housing First programs succeed.</p>	<p>(1) Reduction in incident reports;  (2) Funding and service alignment of mental health programs between City and province; and  (3) Increased number of individuals with high acuity care needs placed in permanent housing through the Coordinated Access program.</p>

Leading Actions	Success Indicators
<p><i>4. Collaborate with external partners to reduce barriers to economic inclusion.</i> With key stakeholders, create a Working Table for Inclusive Economic Development to remove barriers and identify programs and partnerships to ensure economic opportunities for Indigenous, Black, and equity-deserving communities (e.g. community benefits) and develop an Inclusive Economic Development (IED) Framework for adoption by the City and other institutional employers with outcomes tracked by post-secondary partners.</p>	<p>(1) Council-approved IED definition and guiding principles by Q4 2025;</p> <p>(2) Targeted property tax relief for anchor institutions driving inclusive economic development in Toronto; and</p> <p>(3) EDC-led IED research agenda and key targets including those related to household income growing relative to cost of living across all income quintiles.</p>
<p><i>5. Advance Indigenous Economic Development.</i> Co-develop an Indigenous Economic Strategy with key stakeholders, leveraging partners in the Indigenous Centre for Innovation and Entrepreneurship, to identify and address the unique needs of Indigenous communities, organizations, and businesses to thrive in Toronto.</p>	<p>(1) Open Indigenous Centre for Innovation and Entrepreneurship – largest in the world – to be launched 2025;</p> <p>(2) Host a Toronto Indigenous Economic Summit in 2025;</p> <p>(3) Launch Indigenous Economic Development Advisory Panel in 2025; and,</p> <p>(4) Launch Indigenous Economic Strategy by 2026.</p>
<p><i>6. Get more affordable housing built faster.</i> Advance the HousingTO Action Plan by implementing incentive programs for affordable home development and increasing densities like those near major transit station areas to enable a mix of housing by tenure, typology, size, and affordability that provides Toronto’s talented workforce with affordable homes near employment opportunities.</p>	<p>(1) Achieve Council’s Municipal Housing Pledge target of 285,000 new homes by 2031, while the Province offsets the fiscal impacts of Bill 23 to the City; and</p> <p>(2) Achieve housing targets of the Housing Action Plan of 6,500 rent-geared-to-income (RGI) units, 41,000 affordable rental units and 17,500 rent-controlled units.</p>
<p><i>7. Tackle congestion head on.</i> Through an updated Congestion Management Plan, support people with disabilities by improving the information about construction projects; increasing enforcement of bylaw infractions that slow traffic; recovering and/or offsetting the costs of congestion through fees and levies; and exploring new technologies and strategies to facilitate traffic mitigation measures and improve spot congestion.</p>	<p>(1) Updated Congestion Management Plan adopted and executed.</p>

Leading Actions	Success Indicators
<p><i>8. Fortify capital coordination processes.</i> Through the recently created Strategic Capital Coordination Office, lead the capital coordination between all internal and external partners that have a role in infrastructure construction that would impact the City rights-of-ways; apply a more strategic longer-term portfolio-wide lens to capital coordination that will maximize project bundling and sequencing opportunities; and enhance coordination of changes to the capital program; all of which will ultimately reduce construction disruption to communities and foster public trust.</p>	<p>(1) Increase in capital construction adherence to planned construction schedules;</p> <p>(2) Decrease in violation of moratorium; and</p> <p>(3) Decrease in project change requests</p>
<p><i>9. Increase City business with Indigenous suppliers.</i> Co-develop an Indigenous procurement policy with Indigenous businesses and partners to guide how the City does business with First Nations, Inuit and Métis suppliers.</p>	<p>(1) Indigenous procurement policy co-developed by 2028.</p>
<p><i>10. Advance climate action.</i> Advance the TransformTO net zero strategy by implementing programs for green infrastructure development and increasing sustainability measures for commercial and industrial developments.</p>	<p>(1) 100% of new buildings are designed and built to be near zero greenhouse gas emissions by 2030; and</p> <p>(2) 25% of commercial and industrial floor area is connected to low carbon thermal energy sources by 2030.</p>

**Priority 1: Strong Main Streets**

Main streets are the traditional homes of small businesses, a key component to any vibrant urban centres and part of the fabric of local communities. Toronto's main streets host over 33,000 businesses, employ more than 290,000 people and generate more than \$41 billion in annual revenue. As Toronto continues its recovery from the effects of the pandemic, the City will explore various policy measures to safeguard these vital areas by investing in the public realm, streamlining City services, and finding innovative ways to activate vacant spaces. The City will also focus on addressing commercial displacements, particularly for businesses owned by Indigenous, Black, and equity-deserving groups, and advocate for targeted support to help businesses mitigate the effects of transit project construction. Additionally, the City will continue to champion the formation, growth, and management of BIAs to enhance support available to local businesses.

To advance this priority, leading actions and their respective success indicators include:

Leading Actions	Success Indicators
<p><i>11. Keep small businesses open and thriving.</i> Create a Main Street Resiliency fund to offset impacts of infrastructure construction and establish a commercial replacement policy to protect independent businesses impacted by real estate development.</p>	<p>(1) Main Street Resiliency fund established by 2027; and  (2) Ground-floor commercial replacement policy for main streets developed by 2027.</p>
<p><i>12. Protect small businesses from rising costs.</i> Advocate to the provincial government to enhance protections for small businesses, such as commercial rent control, and review the Small Business Property Tax Sub-Class eligibility criteria from an equity perspective.</p>	<p>(1) Commercial rent control established by 2030; and  (2) Increase the number of eligible properties that can benefit from the Small Business Property Tax Sub-Class by 15%.</p>
<p><i>13. Create a one-stop-shop for small businesses.</i> Create a Small Business One-Stop-Shop to provide Toronto’s business community personalized and direct support when accessing City services, such as licensing and zoning.</p>	<p>(1) Small Business Solutions Office established by 2025; and,  (2) Reduced response times and enhanced service offering to small businesses.</p>
<p><i>14. Increase the number of businesses served by BIAs.</i> Develop a BIA Growth Management Strategy that addresses the unique needs of business communities outside of the core and create new BIAs to serve these businesses.</p>	<p>(1) 125 BIAs by 2035.</p>
<p><i>15. Elevate public spaces into the cultural anchors of their neighbourhoods.</i> Increase investments in public spaces delivered by BIAs, expand opportunities for local animation and innovative business models, and increase participation in Caf��TO.</p>	<p>(1) Double public realm investments delivered by BIAs by 2030.</p>

**Priority 2: Quality Jobs**

The importance of growing local employment and supporting community wealth building were consistently raised by participants throughout the consultation process. In Toronto, not all neighbourhoods have shared equally in the city’s growth over the past 20 years, leaving many residents and communities behind. Exacerbated by the disproportionate impact of the pandemic across different communities, the city’s unemployment rate amongst equity-deserving population remains elevated.

Local employment opportunities and good jobs have a direct impact on boosting local productivity and talent attraction and retention; they help usher in other positive outcomes to support the economy. Throughout the consultation, participants felt that the City can strengthen its support for Indigenous, Black, and equity-deserving businesses and expand employment opportunities for youth, people with disabilities, and other equity-deserving populations.

Examples raised by participants and embedded in the Action Plan include encouraging collaboration between industries and academia to ensure that academic programs are aligned with industry needs; examining emerging initiatives, including commercial land trusts and employee-ownership models to expand local ownership and wealth generation; and creating space dedicated for inclusive entrepreneurship.

Through the Action Plan, the City can support access to local employment opportunities, identify resources and support for small businesses, and facilitate access to community benefits as major projects occur in Toronto. Additionally, as the City's role in delivering workforce development and relevant supports is being evaluated following the provincial government's employment services transformation announcement in 2021, work will focus on developing partnerships with key sectors to advance investment in workforce development with a view to encouraging inclusive employment growth and skills development while supporting key sectors with the ability to compete internationally and produce good jobs.

To advance this priority, leading actions and their respective success indicators include:

<b>Leading Actions</b>	<b>Success Indicators</b>
<p><i>16. Build opportunity for Toronto's youth.</i> With local partners and the private sector, including the Employment Services System Manager, develop greater employment and professional development opportunities for Toronto's youth with a focus on Indigenous, Black and equity-deserving groups.</p>	<p>(1) With partners, ensure that there are 10,000 summer jobs for young people by 2026.</p>
<p><i>17. Foster industry-academia partnerships.</i> Create, promote and reinvigorate formal partnerships between local industries and academic institutions to ensure that academic programs are closely aligned with industry needs. These partnerships should include joint research initiatives, internship placements, and curriculum development.</p>	<p>(1) Develop 10 new industry-academia partnerships by 2030, directly aligning educational outcomes with job market needs.</p>
<p><i>18. Create space for inclusive entrepreneurship.</i> Provide low-cost space for business startups, including and partnering with small business incubators, to create an inclusive entrepreneurial ecosystem that supports underrepresented groups, focusing on expanding opportunities for women-led start-ups.</p>	<p>(1) Boost the number of startups by women founders by 25% and double the amount of venture funding received by women-led start-ups by 2028.</p>



Leading Actions	Success Indicators
<p><i>19. Build community wealth and local employment opportunities.</i> Leverage City assets and develop enabling approaches to create opportunities for new, independent businesses and retention of local serving businesses through enabling and growing Toronto's first generation commercial land trust sector in partnership with businesses and local community organizations.</p>	<p>(1) City of Toronto enables a minimum of three commercial land trusts by 2028.</p>

**Priority 3: Global Competitiveness**

Toronto has a diversified economy, boasting some of Canada’s most innovative and specialized companies. The main drivers of Toronto’s economy – financial services, professional services, manufacturing, life sciences, and technology – account for more than one-third of the Toronto region’s employment and are the main contributors to Toronto’s GDP. The consultation and engagement activities made it clear that supporting businesses in these sectors to start and grow in Toronto will in turn support the city in boosting productivity and expanding employment opportunities. This can result in spillover effects that lead to the growth of the larger local-serving economy. Additionally, a critical asset for business growth and expansion in Toronto is its employment lands. However, recent changes to provincial regulations governing land use planning in Toronto and evolving market dynamics have posed threats to the protection of these essential lands, which in turn jeopardizes the high-quality jobs they support.

Based on these needs, voiced by many stakeholders, the City will enhance its support to high-growth sectors by strengthening partnerships with the private sector and post-secondary institutions, leveraging data-driven insights to enhance regulatory efficiency, and centralizing support for start-ups in the innovation ecosystem. Toronto will also leverage and protect lands in designated Employment Areas, preserving all land in this "jobs belt" while also intensifying their use.

To advance this priority, leading actions and their respective success indicators include:

Leading Actions	Success Indicators
<p><i>20. Unite Interests in the future of Downtown.</i> Create a downtown stewardship organization to coordinate, catalyze investment, and speak with a unified voice on the needs of Toronto’s downtown.</p>	<p>(1) Stewardship organization created by 2026.</p>

Leading Actions	Success Indicators
<p><i>21. Incentivize a more diverse mix of non-residential uses in Downtown and the Centres.</i>            Prioritize adaptive reuse of older vacant office space by recommending incentives for the conversion of Class B and C office buildings into adaptive, compatible non-residential and mixed uses, including potential land use policy changes.</p>	<p>(1) Land use policy changes and/or incentives to facilitate adaptive reuse of vacant office space, unlocking new economic opportunities; and</p> <p>(2) A net positive absorption rate for Class B office space in all City districts, sustained over four quarters, by 2030. Class B and C office space returns to a healthy vacancy rate of 7.5% by 2034. City supports prioritize conversion of high value use for key sectors of the economy identified in this plan (e.g. wet labs, VFX, etc.).</p>
<p><i>22. Grow Toronto’s global competitiveness in key anchor and high growth sectors.</i>            Lead and invest in specific strategies that provide resources, services, and sector specific branding to drive growth in the manufacturing, life sciences, food and beverage, green, creative industries and tech sectors.</p>	<p>(1) Toronto ranks Top 5 nationally (Canada) in 2030 and Top 10 in North America in each sector identified by 2035.</p>
<p><i>23. Champion technology and innovation.</i>            Strengthen the City’s support for Toronto’s start up and technology ecosystem through the creation of an Office for the Tech and Innovation Sector.</p>	<p>(1) Launch an Office for the Tech and Innovation Sector (OTIS) in 2025;</p> <p>(2) Increased private investment in tech and innovation; and</p> <p>(3) Launch major new tech and innovation event with global reach by 2026.</p>
<p><i>24. Leverage and protect Toronto’s Employment Areas.</i>            Protect lands in designated Employment Areas so that they remain strategic places attracting new business investment and startups, and enter into partnerships with key organizations to advance their long-term productive use.</p>	<p>(1) Preservation through 2035 of the current amount of land in designated Employment Areas; and</p> <p>(2) 5% increase in jobs located in designated Employment Areas by 2030.</p>
<p><i>25. Drive the adoption of green technologies.</i>            Create a Green Innovation Challenge to test and pilot initiatives, programs, and sustainable technologies using City assets (buildings, workspaces, technology).</p>	<p>(1) Pilot 10 initiatives by 2030; and,</p> <p>(2) by 2030, at least three firms supported by GIC commercialize new technologies and increase their market value ten-fold.</p>

Leading Actions	Success Indicators
<p><i>26. Optimize the use of Toronto's gateways.</i> Enter into partnerships with agencies managing Toronto's points of entry to create place-based economic, mobility and workforce development plans with a focus on growing Toronto's globally competitive sectors including manufacturing.</p>	<p>(1) Partnerships established by 2026;</p> <p>(2) Strengthen governance, transparency and investment in the Port of Toronto to secure a larger share of marine shipping; and</p> <p>(3) Improve efficiency and output of the Port of Toronto with a target of 5% increase in annual cargo volume handled by 2035.</p>
<p><i>27. Grow the Food and Dining Scene.</i> Promote Toronto's rising culinary scene through programming, branding and communications to drive investment, tourism and local economic development.</p>	<p>(1) Toronto is recognized as Canada's top food city and top five globally;</p> <p>(2) Strengthen local hospitality workforce and training centres; and</p> <p>(3) City programs in support of restaurants and hospitality have city-wide reach.</p>
<p><i>28. Attract major international events and audiences.</i> Working with Destination Toronto, develop a major event bidding and hosting strategy in partnership with other orders of government, the private sector and the hospitality industry.</p>	<p>(1) Council-approved bidding and hosting strategy by 2027, informed by Toronto's experience with the FIFA World Cup, with success thereafter tracked by increase in investment in major conferences and special events hosted in Toronto.</p>
<p><i>29. Incubate home-grown conferences.</i> Attract, support and scale home-grown conferences in key growth sectors that build Toronto's brand, such as the global tech sector and life sciences.</p>	<p>(1) Three new financially-sustainable flagship events with international reach promoting key sectors by 2030.</p>

**Monitoring and Measuring Impact - APTE's Evaluation Framework**

To monitor progress and assess the impact of the Action Plan, success indicators, which are tangible and trackable measures have been identified for the 29 leading actions. Given the complexity and the multitude of variables that can impact Toronto's economy, these success indicators are focused on direct program and project-specific targets, such as the number of partnerships established, the number of pilots initiatives developed, the number of jobs created, etc. The Year 1 progress update will include success indicators for all actions identified in the Five-Year Work Plan.

**Next Steps: Implementation**

Overall, the implementation of the Action Plan will be managed by EDC, which will chair an Interdivisional Committee with representatives from the relevant divisions identified in Attachment 1. A progress update will be presented to City Council for each of the implementation years. At the end of five years, the success indicators from the first term

will be assessed alongside economic trends and relevant macroeconomic indicators to validate approach, assess overall impact of actions, and identify new actions for 2030-2035. The successes, learnings, and a new five-year action plan will then be presented for City Council's consideration. This two-term approach allows the Action Plan to adapt to changing economic and political circumstances while setting up long-term priorities and overall success for Toronto's economy.

## **CONTACT**

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## **SIGNATURE**

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Patrick Tobin  
General Manager, Economic Development and Culture

## **ATTACHMENTS**

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Attachment 1 - Sidewalks to Skylines: An Action Plan for Toronto's Economy  
Attachment 2 - The Next Toronto: A Plan for Growth and Shared Prosperity in Toronto for the Next Decade  
Attachment 3 - What's Next for Toronto's Economy? Toward a More Competitive, Inclusive and Sustainable City  
Attachment 4 - Indigenous Engagement: Economic Development Strategic Options, report by Mokwateh  
Attachment 5 - Community-Specific Engagement Summary