



**EMAILED**

January 26, 2024

Mayor Olivia Chow and Members of the Executive Committee,  
Toronto City Hall,  
100 Queen Street West,  
Toronto, ON M5H 2N2

**Attention: Cathrine Regan**

**Re: EX11.6 - Review of the Imagination, Manufacturing, Innovation and Technology Property Tax Incentive Program**

Dear Mayor Chow and Committee Members:

I am writing in support of a staff review of the Imagination, Manufacturing, Innovation and Technology (IMIT) program as it relates to the manufacturing community and maintaining good manufacturing jobs in Toronto.

Toronto has many competitors in North America and elsewhere that offer a suite of incentives for companies to either locate or re-invest in their jurisdictions. Toronto is limited to offering manufacturers who invest in our City a development charges exemption (which is unique), reduced water rates for large water users (many municipalities do this) and IMIT. While IMIT does cost the city some foregone tax revenues, it could encourage long-term, ongoing investment by manufacturers here which provides employment and other important benefits.

As you know, Toronto's Employment Lands are under terrific pressure from re-development proposals to provide new housing. This has the effect of making industrial land scarce and artificially increasing its price. Having a strong manufacturing sector here will help counteract the push to convert Employment Lands.

Given the ongoing supply chain challenges and the importance of making products here as well as the positive effects of employing our residents, we believe that the number one challenge for the City is to retain its businesses. In our sector, there is strong competition to move our production to other jurisdictions.

To invest and re-invest in Toronto, manufacturers need timely approvals and less red tape to bring new production to market. They need a policy and regulatory environment that will encourage them to intensify their operations and maximize the use of scarce industrial land in a timely fashion.

...2

**Page 2**

IMIT, which has had limited uptake by the manufacturing community, could be doing a much better job and needs re-tooling. A review of IMIT should include the following:

1. How IMIT can improved to help manufacturers to increase production at their facilities such as modernizing use of floor space and plant operations, and
2. How IMIT could assist the conversion of redundant office space to manufacturing and other non-residential uses.

Thank you very much for your attention and I hope that you will recommend to Council the staff recommendations.

Sincerely,



Craig McLuckie,  
President  
416-219-3512