

February 28, 2024

Her Worship Olivia Chow, Executive Committee Chair  
Members of the Executive Committee  
City of Toronto  
100 Queen St.W

**RE: Executive Committee Report 2024.EX12.3 Implementation of a Commercial Parking Levy**

On behalf of Toronto's 84 BIAs with a combined membership of over 90,000 businesses and property owners, we are grateful and thank you for allowing us to submit our comments regarding the above item and to re-affirm our position as noted in our August 22<sup>nd</sup>, letter, specifically as it applies to the consideration of a parking levy. We more than others as city agencies understand and appreciate the difficult financial situation the City has faced and congratulate you for negotiating an unprecedented New Deal with the province and securing funding from the federal government.

As Toronto's main streets and businesses crawl towards a recovery that is still well on the horizon and for some never to be reached, we implore council to carefully consider any additional tax on the commercial eco system of this city.

While we acknowledge and greatly appreciate that the report proposes that the equivalent of the first 10 spaces will be exempt from the levy right across the city, we believe that overall, the parking levy will still unduly hurt businesses of all sizes.

In most cases, due to the structure of commercial leases, the parking levy will not be paid by the property owner or landlord, but by the tenant. This is of most relevance for those in the suburbs who happen to be fortunate enough to have parking in strip retail and like built forms, where car access and parking is a regulatory requirement and is critical for local small business success. As will those properties in the downtown and commercial office nodes who provide essential parking for their employees at a time that we are still looking to return workers to these offices and by extension reinvigorate the supporting business in the Path and around surface commercial/office properties across the city.

As this proposed levy is Toronto centric it clearly represents an obvious economic disadvantage to Toronto businesses, in particular for those located along city boundary streets such as Steeles Avenue where there in fact is no incentive to locate on the Toronto side of the street, thus driving investment elsewhere, to more tax-friendly, lower-risk operating environments.

The Staff Report, in its summary notes that "Overall, the introduction of a parking levy is expected to have a positive impact on City priorities and objectives, including reducing congestion and positively contributing to climate action by encouraging Torontonians to use transit or other means to travel". This levy will have no such effect as this is not a consumer tax, where the driver would pay for this levy and thus possibly make other choices. For those drivers the cost and availability of parking will not change, thus not enticing them to leave their cars at home. What is clear is that businesses will be faced with having to pay this "Tax" on an already taxed asset, as onsite parking is a variable in MPACs assessment calculation.

"The opinion of 10,000 people is of no value if none of them knows anything about the subject" MARCUS AURELIUS

Tax on a tax is not sound policy at a time when business is still recovering and faced with any number of additional challenges. Death by a thousand cuts will be the only result of this.

Thus, we submit our serious concerns about the impact of a parking levy on all business types in Toronto, particularly those in sectors hardest hit by the pandemic, and still struggling to recover. We firmly believe that the resultant consequences will vastly outweigh the relatively minimal revenues a parking levy would ultimately generate for the City.

As you make decisions on how to address the City's financial challenges, we urge you to seriously consider the cumulative impacts of this added tax on all Toronto Businesses.

There is a better way.

A handwritten signature in black ink, appearing to read "John J. Kiru".

John J. Kiru  
Executive Director  
TABIA