

4913 Bathurst Street - Designation of a Portion of the Property used by the Toronto Public Library as a Municipal Capital Facility

Date: August 29, 2025

To: General Government Committee

From: Executive Director, Finance Shared Services and Executive Director, Corporate Real Estate Management

Wards: Ward 18 - Willowdale

SUMMARY

This report seeks City Council's authority for the adoption of the necessary by-law to designate a portion of the property owned by Finchurst Plaza Inc leased to the City of Toronto on behalf of Toronto Public Library, Centennial Branch as a Municipal Capital Facility and to provide an exemption for municipal taxes and education taxes. The Municipal Capital Facility agreement authorized by the by-law will provide an exemption for approximately 1,622 square feet at 4913 Bathurst Street, municipally known as 4915 Bathurst Street.

A Municipal Capital Facility Agreement is required as the Centennial Branch Library currently located at 578 Finch Avenue West will undergo construction and the library will be temporarily relocating from their existing space to the 1,622 square feet of space located at 4913 Bathurst Street.

The savings from the designation has been accounted for and included in the 2025 Council Approved Operating Budget for the Toronto Public Library.

RECOMMENDATIONS

The Executive Director, Finance Shared Services and Executive Director, Corporate Real Estate Management recommends that:

1. City Council pass a by-law pursuant to Section 252 of the City of Toronto Act, 2006, providing authority to:

a. enter into a Municipal Capital Facility Agreement with Finchurst Plaza Inc., the landlord, which will lease approximately 1,622 square feet at 4913 Bathurst Street (the "Leased Premises") to the City of Toronto, used for public libraries; and

b. exempt the Leased Premises from taxation for municipal and school purposes, with the tax exemption being effective from the latest of:

1. the commencement date of the lease;
2. the date the Municipal Capital Facility Agreement is entered into; and
3. the date the Tax Exemption By-law is enacted.

2. City Council direct the City Clerk to give written notice of the By-law to the Minister of Finance, the Municipal Property Assessment Corporation, the Toronto District School Board, the Toronto Catholic District School Board, le Conseil scolaire Viamonde and le Conseil scolaire catholique MonAvenir.

FINANCIAL IMPACT

The Toronto Public Library- Centennial Branch is currently located at 578-580 Finch Avenue West which is owned by the City of Toronto and exempt from taxation. Due to construction at this location, the library will temporarily relocate and occupy 1,622 square feet of space at 4913 Bathurst Street.

The annual property taxes on 1,622 square feet of space (currently taxable) to be occupied by the Toronto Public Library- Centennial Branch are estimated at \$15,882, comprised of a municipal portion of \$9,740 and a provincial education portion of \$6,142, based on 2025 Current Value Assessment and 2025 tax rates.

As shown in Table 1 below, providing a property tax exemption for 1,622 square feet at 4913 Bathurst Street will result in a net annual reduction in property tax revenue to the City of approximately \$9,740, representing the municipal portion of taxes that is currently payable that will no longer be collected once the leased premises are designated as a Municipal Capital Facility. The provincial education portion of the property taxes of \$6,142 will no longer be required to be remitted to the province once the exemption for the leased premises takes effect.

Table 1: Financial Implication of Property Tax Exemption - 4913 Bathurst Street

Location	Municipal Taxes	Education Taxes	Total Property Taxes
4913 Bathurst Street 1908-07-2-610-00100	\$9,740	\$6,142	\$15,882
Total Amounts Payable if Exempt	\$0	\$0	\$0
Reduction in Municipal Tax Revenues			\$9,740
Reduction in Education Taxes Remitted			\$6,142

As the City currently funds the Toronto Public Library cost of rent (which includes property taxes) on any leased space through an annual budget allocation there is no net impact on the municipal portion of taxes from the Municipal Capital Facility exemption, as the decrease in municipal tax revenue is offset by a corresponding reduction in the annual budgetary requirement for the Toronto Public Library. Designating the property leased as a Municipal Capital Facility and providing an exemption from taxes will reduce the rental amount paid by the City. The savings from the designation has been accounted for and included in the 2025 Council Approved Operating Budget for the Toronto Public Library.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on October 2, 3 and 4, 2017, City Council adopted the report [EX27.12 - City Wide Real Estate - Delegated Authorities Framework and Transition Plan](#) which authorizes the Toronto Public Library Board to approve and enter into leases and licenses where certain criteria are met, as outlined in City of Toronto Municipal Code Chapter 137-3. As a result, the Toronto Library Board entered into a license agreement with the owner of 4913 Bathurst Street.

COMMENTS

The Centennial Branch Library currently located at 578 Finch Avenue West will undergo construction and the library will be temporarily relocating from their existing space to the 1,622 square feet of space located at 4913 Bathurst Street. Designating the space occupied by the library as a Municipal Capital Facility and providing an exemption from taxes will reduce the monthly rental amount paid by the library.

Municipal Capital Facility Designation

Section 252 of the City of Toronto Act, 2006 allows City Council to exempt from taxation for municipal and school purposes, land (or a portion of land) where a Municipal Capital Facility is or will be located. The exemption may be granted once the City enters into an agreement with the landlord or tenant for the provision of a Municipal Capital Facility.

Ontario Regulation 598/06 prescribes public libraries as eligible for the purpose of section 252.

Upon the passing of the by-law authorizing the agreement and the tax exemption, the City Clerk must give written notice of the by-law to the Minister of Finance, the Municipal Property Assessment Corporation and the Secretary of any affected school board(s).

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SIGNATURE

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