

Authority: [Planning and Housing Committee] Item [-], as adopted by City of Toronto Council on ~, 20~

CITY OF TORONTO
Bill [Clerks to insert Bill number]
BY-LAW [Clerks to insert By-law number]

To amend By-law 1386-2024, being a by-law to adopt a City-Wide Community Improvement Plan for the Economic Development and Growth in Employment (EDGE) Incentive Program.

Whereas the whole of the City of Toronto has been designated as a community improvement project area pursuant to Section 28(2) of the Planning Act; and

Whereas Council of the City of Toronto has adopted a City-Wide Community Improvement Plan for the Economic Development and Growth in Employment (EDGE) Incentive Program by By-law 1386-2024 and wishes to amend the Community Improvement Plan to temporarily increase financial incentives; and

Whereas Council of the City of Toronto has provided adequate information to the public and has held at least one public meeting in accordance with the Planning Act;

The Council of the City of Toronto enacts:

1. The City-Wide Community Improvement Plan for the Economic Development and Growth in Employment (EDGE) Incentive Program is hereby amended by:

(a) adding reference to Appendix 4 in the second paragraph of Section 1.2;

(b) adding the following sentence at the end of Section 6.0:

The portion of the Municipal Tax Increment used to calculate the Development Grant may be subject to time-limited adjustments, as outlined in Appendix 4, as applicable;

and

(c) adding Appendix 4 as shown in Schedule 1 to this By-law.

Enacted and passed on December [insert date], 2025.

Frances Nunziata,
Speaker

John D. Elvidge,
City Clerk

(Seal of the City)

SCHEDULE 1

APPENDIX 4: TIME-LIMITED TARIFF RESPONSE DEVELOPMENT GRANTS

1 INTRODUCTION

As part of the Mayor's Economic Action Plan in Response to US Tariffs, the Time-Limited Tariff Response (TLTR) Development Grants program is designed to temporarily strengthen the existing Development Grants program, further incentivizing businesses to invest in job creation in the short-term. The TLTR Development Grants will be increased to 100% of the Municipal Tax Increment for the duration of the five (5) year period provided eligible applications are received prior to December 31, 2027. All other terms and conditions of the program will continue to apply.

2 GENERAL

The general provisions of the EDGE Incentive Program Community Improvement Plan apply with respect to TLTR Development Grant applicants and recipients, except as otherwise described within this, Appendix 4.

3 TIME LIMITED INCENTIVE

Any applicant who has applied to benefit from this CIP prior to December 31, 2027, and is found eligible to receive Development Grants, will benefit from the TLTR incentives, provided they meet the requirements of this CIP.

4 LIMITS ON ELIGIBILITY FOR TLTR

Transformative Projects are not eligible for TLTR Development Grants.

5 TLTR DEVELOPMENT GRANTS PROGRAM DETAILS

5.1 Grant Amount and Term

TLTR Development Grants will be provided in an amount equal to a maximum of 100 percent of the Municipal Tax Increment over a five (5) year period, or seven (7) year period if combined with Brownfield Remediation Tax Assistance, provided all basic eligibility requirements are met.

5.2 Grant Calculation

TLTR Development Grant amounts are calculated each year as the following consistent percentage of the Municipal Tax Increment:

Table 1 TLTR Development Grant Calculation

| Year | Grant (as percent of tax increment) |
|-------------|--|
| 1 | 100% |
| 2 | 100% |
| 3 | 100% |
| 4 | 100% |
| 5 | 100% |

For properties that receive Brownfield Remediation Tax Assistance in addition to the TLTR Development Grant, the Development Grant will not commence until either year four (4) following reassessment of the developed property, or the year in which the Brownfield Remediation Tax Assistance ceases, whichever occurs first:

Table 2 Potential Scenarios for the Maximum Amount of TLTR Development Grants in Combination with Brownfield Remediation Tax Assistance

| Year | Scenario 1 | | Scenario 2 | | Scenario 3 | | Scenario 4 | | Scenario 5 | | Scenario 6 | |
|------|------------|-------|------------|-----------|------------|-------|------------|-----------|------------|-------|------------|-----------|
| | %TI | Grant | %TI | Grant | %TI | Grant | %TI | Grant | %TI | Grant | %TI | Grant |
| 1 | 100 | BRTA | 100 | BRTA | 100 | BRTA | 100 | BRTA | 100 | BRTA | 100 | BRTA & DG |
| 2 | 100 | BRTA | 100 | BRTA | 100 | BRTA | 100 | BRTA & DG | 100 | DG | 100 | DG |
| 3 | 100 | BRTA | 100 | BRTA & DG | 100 | DG | 100 | DG | 100 | DG | 100 | DG |
| 4 | 100 | DG | 100 | DG | 100 | DG | 100 | DG | 100 | DG | 100 | DG |
| 5 | 100 | DG | 100 | DG | 100 | DG | 100 | DG | 100 | DG | 100 | DG |
| 6 | 100 | DG | 100 | DG | 100 | DG | 100 | DG | 100 | DG | 100 | DG |
| 7 | 100 | DG | 100 | DG | 100 | DG | 0 | None | 0 | None | 0 | None |

Definitions:

%TI - Percent of tax increment used for assistance; **Grants** - Financial incentive payable

BRTA - Brownfield Remediation Tax Assistance; **DG** – Development Grants

5.3 Grant Limits

The total of TLTR Development Grants provided over the maximum term of five (5) years may not exceed the lesser of:

- a) 100 percent of the Municipal Tax Increment over the maximum 5-year period for which they are available.
- b) the total cost of the development, including:
 - i. construction/retrofit/expansion costs as shown by the main building permit associated with the development; and
 - ii. the costs of associated studies and surveys, development of plans and specifications, implementation and administration of the project including staff and professional service costs for architectural, engineering, legal, financial, and planning services.

When TLTR Development Grants are provided in combination with Brownfield Remediation Tax Assistance over the maximum term of seven (7) years, the total amount of assistance provided may not exceed the lesser of:

- a) 100 percent of the Municipal Tax Increment over the maximum 7-year period for which grants are available.
- b) The total eligible costs of:
 - i. Remediation, and
 - ii. Development as set out in 6.3b) above.

The maximum total TLTR Development Grant any individual project is eligible to receive is \$10,000,000 (ten million dollars), with the exception of projects with an estimated construction value equal to or greater than \$100,000,000 (one hundred million dollars), which are subject to Council approval. The Brownfield Remediation Tax Assistance portion is not subject to this cap.

5.4 Staged Developments

In the case of a staged development, where one portion of a property is developed in advance of others, each portion of the property will be treated as a separate property. For clarity, only those portions of the development that are constructed and occupied within five years of approval under this Appendix will receive TLTR Development Grants.