



To: City Council

RE: City of Toronto Inclusive Economic Development Framework (Item: EC27.3 - April 22nd, 2026)

I am pleased to submit this letter in support of Toronto City Council's adoption of the Inclusive Economic Development (IED) Framework, as recommended by the Economic Development Committee. I urge Council to undertake the hard work of aligning resources and policy to implement its recommendations.

This is the right overall economic development direction for Toronto. This moment in our history requires all of us to take tangible steps to build more inclusive, less extractive models of economic growth. Tools proposed in this report focus on accelerating economic growth in ways that build and retain wealth in communities and expand opportunities for more people to own economic assets.

Social procurement, investment of catalytic capital to build housing and community infrastructure, inclusive community and employee ownership models, mobilizing public assets and public land for community benefit and community well-being are amongst the approaches that are being deployed successfully around the world to create livable, happy and productive cities.

The polarization between income groups in Toronto has gotten worse over the past two decades. Inequality and polarization are the big, existential challenges for this amazing, diverse city. This strategy is a sincere, thoughtful response to these challenges. The report stands in contrast to the dominant economic model that has contributed to the crises we are living through -- a model characterized by cutting taxes, extractive ownership patterns, and the promise of trickle-down gains or niche redistributive programs somewhere in the future.

We need more creative ways of deploying capital, using public land, mobilizing public assets for community benefit, and structuring work and mobility so that people can afford a decent life and have time left for things that give them joy and hope for the future.

I was happy to participate in some of the conversations that led to this report and was happy to learn from the engaged, committed Torontonians who are finding workable solutions through this moment in our history. Toronto must become a truly great place for everyone to live, not just those with financial resources. If Toronto is a great place for everyone to live, it will be a healthier, happier, safer place to live. And it will be more economically vibrant and productive as well.

Canada is wealthy. Toronto is wealthy. We can deploy our capital and mobilize our enormous resources to deliver more ownership opportunities and benefits for people and communities. This report is a great roadmap.

Sincerely,

Matthew Mendelsohn (Matthew@socialcapitalpartners.ca)
CEO, Social Capital Partners

