

Establishing Toronto's Cultural Districts Program

Date: May 26, 2026

To: Economic and Community Development Committee

From: General Manager, Economic Development and Culture

Wards: All

SUMMARY

This report presents a framework to establish a Cultural Districts Program for Toronto, which would recognize and celebrate distinct cultural areas across the city, while offering supports to respond to displacement and subsequent loss of cultural identity that some areas are facing.

Cultural Districts are defined as culturally distinct mixed-use areas that feature a significant concentration of cultural spaces and institutions, culturally significant businesses, and community spaces. Cultural Districts are widely recognized as areas of shared history and identity that offer a sense of belonging. They not only serve the local area but also draw people from across the city and beyond.

The Cultural Districts Program will include two core components:

- **Recognition of Cultural Districts:** Formal recognition of Cultural Districts by City Council is an important first step toward safeguarding their cultural heritage. This report recommends that Little Jamaica, Church-Wellesley Village, West Chinatown, Little Iran and Banglatown be recognized as the City's initial Cultural Districts, in response to direction from Council. Recognition of other communities as Cultural Districts may be considered in future years through an application-based process.
- **Responding to Commercial Displacement:** Despite their significance, Cultural Districts can face ongoing threats of displacement, impacting the businesses, community organizations, buildings and landmarks that anchor their neighbourhood identity and vitality. These issues are particularly acute in Little Jamaica, Church-Wellesley Village, and West Chinatown. The proposed Cultural Districts Program offers an opportunity to respond to these challenges by introducing targeted policy and program tools to stabilize culturally significant businesses against commercial displacement. Culturally significant businesses provide culturally relevant goods and/or services that are meaningful to Black, Indigenous and equity-deserving communities as having special cultural significance to their history, identity, and ability to thrive.

This report proposes a phased framework for Toronto's Cultural Districts Program, combining immediate actions that can be delivered within existing resources in 2026 with a suite of additional targeted supports that could be implemented through the 2027 Budget Process and future years, subject to Council approval. The initial phase focuses on formally recognizing Cultural Districts and launching local capacity-building initiatives to support community-led placemaking, inclusive economic development, and land stewardship. Building on this foundation, the report also outlines scalable targeted supports to respond to commercial displacement in qualifying Cultural Districts contingent on the availability of additional funding, including grants to non-profit organizations and financial incentives to directly support culturally significant businesses, enabled by Community Improvement Plans (CIPs).

This report also outlines the steps required to initiate CIPs in qualifying Cultural Districts. A CIP is a tool under the *Planning Act* that enables municipalities to provide financial incentives to for-profit businesses to support community improvement. In this context, CIPs could be used to introduce new incentives for culturally significant businesses in Cultural Districts to help mitigate commercial displacement.

Additional research and consultation are required before initiating CIPs in eligible Cultural Districts. Moreover, funding will be needed to implement any such incentives. Subject to consideration through the 2027 budget process, staff will conduct an analysis of local economic activity in Little Jamaica, West Chinatown, Church-Wellesley, Little Iran, and Banglatown to assess the applicability of CIPs in each district. This analysis will be followed by consultations with community stakeholders to define the scope of targeted supports that could be delivered through CIPs to address commercial displacement. Draft CIPs must also be circulated to the Ministry of Municipal Affairs and Housing for review and comment. Based on the results of the economic analysis and consultations, staff will report to the Planning and Housing Committee by the end of Q2 2027 with recommendations on implementing CIPs, where appropriate, to support these targeted initiatives.

RECOMMENDATIONS

The General Manager, Economic Development and Culture, recommends that:

1. City Council direct the General Manager, Economic Development and Culture, in consultation with the Chief Planner and Executive Director, City Planning, the Executive Director, Development Review, the Executive Director, Corporate Real Estate Management, and the Executive Director, Social Development, to implement the Cultural Districts Program for Toronto using a phased approach, beginning with formal recognition of Cultural Districts and local capacity building initiatives.
2. City Council recognize the area shown in Attachment 1 as the Little Jamaica Cultural District.
3. City Council recognize the area shown in Attachment 2 as the West Chinatown Cultural District.

4. City Council recognize the area shown in Attachment 3 as the Church-Wellesley Village Cultural District.
5. City Council recognize the area shown in Attachment 4 as the Little Iran Cultural District.
6. City Council recognize the area shown in Attachment 5 as the Banglatown Cultural District.

FINANCIAL IMPACT

This report recommends a phased framework for Toronto's Cultural Districts Program. The initial phase identifies near-term actions, including formal recognition of Cultural Districts and local capacity-building to support community-led placemaking, inclusive economic development, and land stewardship. Subsequent phases outline scalable supports such as grants to non-profit organizations and financial incentives to directly support culturally significant businesses, enabled by Community Improvement Plans (CIPs), subject to Council approval and future funding.

Through [2026.MM39.83](#), City Council has directed staff to report through the 2027 Budget Process on any elements of the Cultural Districts Program that would require additional funding. As outlined in this report, while initial program components can be delivered within existing resources, the implementation of expanded targeted supports to address commercial displacement will require new funding, subject to Council approval.

The initial components of the proposed Cultural Districts Program, including the formal recognition of five (5) Cultural Districts and the delivery of local capacity-building initiatives, can be implemented within the Approved 2026 Operating Budget for the Economic Development and Culture (EDC) Division.

The associated financial impacts of subsequent phases of the program will be brought forward for consideration as part of the 2027 Budget Process and will be aligned with available funding. Preliminary estimates indicate that a grant program could require approximately \$300,000 per Cultural District, in addition to any resources required to deliver financial incentives to support culturally significant businesses. The scope and cost of any financial incentives enabled through CIPs would be determined as part of additional research and consultation recommended through this report.

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

EQUITY IMPACT STATEMENT

Toronto's growth brings many opportunities, but there are persistent concerns that Indigenous, Black and equity-deserving communities are not equitably included in, or

benefiting from, changes happening at the neighbourhood level. In Toronto's Cultural Districts, long-time residents, community organizations and culturally significant businesses are working to sustain their cultural heritage - an essential foundation for fostering belonging and creating safe, inclusive spaces. Systemic racism, discrimination, and their related impacts have created long-standing economic barriers in these communities, limiting access to capital and opportunity over generations.

The Cultural Districts Program is a critical response to these inequities. By formally recognizing Cultural Districts and offering targeted supports, the program affirms the cultural, social, and economic value of these communities and answers their calls for visibility, stabilization, and investment. Through formal recognition of these communities and targeted supports to address commercial displacement, where needed, the program aims to protect and strengthen the unique identities of Cultural Districts - ensuring that historically marginalized communities can thrive and shape Toronto's future on their own terms.

DECISION HISTORY

At its meeting on April 22 and 23, 2026, City Council directed the Executive Director, Development Review, in collaboration with the Chief Planner and Executive Director, City Planning and the General Manager, Economic Development and Culture, to ensure that the final Chinatown Planning Framework adequately supports the proposed Chinatown Cultural District designation and to take necessary steps to designate West Chinatown as a Community Improvement Project Area and evaluate the potential for the Community Improvement Plan.

<https://secure.toronto.ca/council/agenda-item.do?item=2026.TE31.20>

At its meeting on April 22 and 23, 2026, City Council adopted the Inclusive Economic Development Framework for Toronto, providing City Council and City divisions and agencies with a coordinated lens to advance inclusive economic development.

<https://secure.toronto.ca/council/agenda-item.do?item=2026.EC27.3>

At its meeting on March 25 and 26, 2026, City Council directed the General Manager, Economic Development and Culture, in collaboration with City Planning and Development Review, to bring forward the final program design and implementation plan for the Cultural Districts Program; the necessary recommendations to formally recognize and designate Cultural Districts in Little Jamaica, Church-Wellesley Village, Chinatown, Little Iran, and Banglatown; and necessary recommendations to initiate Community Improvement Plans. Council also directed staff to report through the 2027 Budget Process on any elements of the Cultural Districts Program that require financial resources.

<https://secure.toronto.ca/council/agenda-item.do?item=2026.MM39.83>

At its meeting on March 25 and 26, 2026, City Council adopted a motion with various actions to protect Chinatown as a Cultural District, including a request to report to the Economic and Community Development Committee in 2027 on the progress of the comprehensive Cultural District Plan for Chinatown.

<https://secure.toronto.ca/council/agenda-item.do?item=2026.MM39.53>

At its meeting on November 13 and 14, 2024, City Council adopted Culture Connects: An Action Plan for Culture in Toronto (2025-2035), which included establishing a Cultural Districts Program as a Year One action.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.EC16.1>

At its meeting on November 13 and 14, 2024, City Council adopted Sidewalks to Skylines: An Action Plan for Toronto's Economy (2025-2035), which includes actions to support community and inclusive economic development.

<https://secure.toronto.ca/council/agenda-item.do?item=2024.EC16.2>

At its meeting on July 19, 2023, City Council requested the General Manager, Economic Development and Culture, to explore designating Danforth Avenue, between Main Street and Pharmacy Avenue, as the Banglatown Cultural District.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.MM8.15>

At its meeting on March 29, 2023, City Council requested the General Manager, Economic Development and Culture, to explore designating Yonge Street, between Steeles Avenue and Drewry Avenue, as a Cultural District in recognition of the area's vibrant Iranian culture.

<https://secure.toronto.ca/council/agenda-item.do?item=2023.MM5.29>

At its meeting on March 10, 2022, the Economic and Community Development Committee received a report providing a status update on interdivisional efforts to address anti-Black racism measures, mobility, housing, development review, and social development services in Little Jamaica.

<https://secure.toronto.ca/council/agenda-item.do?item=2022.EC28.8>

At its meeting on November 9, 10, 11, and 12, 2021, City Council directed the General Manager, Economic Development and Culture to undertake broad public engagement on the development of a Cultural Districts Program that strengthens local culture and communities, supports small businesses and retail and promotes community-owned spaces.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.EC25.3>

At its meeting on June 8 and 9, 2021, City Council requested the General Manager, Economic Development and Culture to identify policy and program options to protect Chinatown's cultural identity, affordable cultural spaces and local retail through a Cultural District Plan or other mechanisms.

<https://secure.toronto.ca/council/agenda-item.do?item=2021.MM34.22>

At its meeting on September 30, 2020, City Council directed the General Manager, Economic Development and Culture to collaborate with other City divisions to develop a Cultural District Plan for Little Jamaica, using an equity lens.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.MM24.36>

At its meeting on January 29, 2020, City Council directed the General Manager, Economic Development and Culture, and the Chief Planner and Executive Director, City Planning to develop immediate and long-term recommendations to support the retention

and growth of independently owned and operated LGBTQ2S+ small businesses and cultural space.

<https://secure.toronto.ca/council/agenda-item.do?item=2020.MM14.8>

COMMENTS

BACKGROUND: WHY A CULTURAL DISTRICTS PROGRAM?

Cultural Districts play a vital role in Toronto's social, economic and cultural fabric. Their commercial main streets function as both economic and cultural hubs, drawing residents and visitors from across the city and beyond. With their distinctive mix of local businesses, cultural spaces, and community life, they reflect Toronto's motto, Diversity Our Strength. These areas have long served as gateway neighbourhoods for newcomers, offering the cultural and social foundations needed to establish homes and businesses, build community, and contribute to the growth of the city.

Despite this significance, many Cultural Districts are facing increasing economic pressures that make it difficult for culturally significant spaces to survive. Rising rents and the loss of affordable commercial space have forced independent businesses to close or relocate, while also limiting opportunities for new enterprises to emerge. This is creating social and economic challenges for the equity-deserving communities these areas support. City Council has requested staff to identify policy and programming to protect local culture and communities, support small businesses and retail and promote community-owned spaces. In response, staff have proposed a Cultural Districts Program to formally recognize these areas and address commercial displacement in qualifying districts through coordinated planning, cultural heritage promotion, land stewardship and economic development tools.

These challenges are especially pronounced in three of the proposed Cultural Districts: Little Jamaica, West Chinatown, and Church-Wellesley Village. Results from the Toronto Employment Survey (2011–2025) show that Little Jamaica and West Chinatown experienced significant declines in the number of retail businesses, with losses of 31.9% and 31.4% respectively - nearly three times the citywide decline of 10.5%. While Church-Wellesley saw a more moderate decline of 7.1%, community members have noted a shift toward larger corporate brands, raising concerns about the erosion of the area's distinct local character and increased displacement risk for independent businesses.

Taken together, these trends suggest that while retail decline has affected the city broadly, some culturally significant areas are experiencing disproportionate impacts. The loss of these businesses, which serve as community anchors, cultural spaces, and vital "third places", represents more than economic change. It signals the erosion of long-standing cultural ecosystems that have long served as safe havens and economic engines for marginalized communities.

Reports commissioned by the City and community organizations have outlined the impacts of displacement and discrimination on cultural communities. The Council-adopted Reconciliation Action Plan (2022–2032) and the Toronto Action Plan to

Confront Anti-Black Racism (2017) both acknowledge the systemic barriers that have led to economic disparity and cultural loss. Research by Black Urbanism TO, CP Planning, and Friends of Chinatown Toronto further highlights the role of disinvestment and exclusion from land and property ownership in driving displacement.

Strategic Alignment:

The proposed Cultural Districts Program aligns with several key City strategies and initiatives. It is a core deliverable of Culture Connects: An Action Plan for Culture in Toronto (2025-2035), supporting Action 1.2.3 to develop tools that protect and strengthen Cultural Districts. The program also advances the goals of Sidewalks to Skylines: An Action Plan for Toronto's Economy (2025-2035) (Actions 11, 12 and 15) and the Inclusive Economic Development Framework by supporting community wealth-building, strengthening main street economies, and advancing equitable access to economic opportunities for equity-deserving communities.

The program supports the City's Official Plan principles by promoting equitable access to complete communities and addressing systemic barriers faced by marginalized residents. It also aligns with the Action Plan to Confront Anti-Black Racism and the Reconciliation Action Plan by supporting Black- and Indigenous-led organizations, community land trusts, and inclusive economic development.

PROGRAM DEVELOPMENT AND ENGAGEMENT PROCESS

Consultation on the proposed Cultural Districts Program has taken place over several years. In late 2021, the City retained an independent consultant to develop recommendations for a program framework, and lead community consultation and engagement for both a city-wide Cultural Districts Program and a Little Jamaica Cultural District. An extensive community engagement process included public surveys, dozens of individual interviews, multiple walking tours, an intergenerational community advisory group, participatory panels, and workshops.

Consultation participants and survey respondents identified urgent concerns about gentrification, displacement, and cultural erasure. Many expressed worry about the lack of affordability in housing, cultural spaces and commercial spaces. Participants called for improvements to the public realm, including better accessibility and safety, more community spaces, stronger community ownership and stewardship of land, protections for culturally responsive businesses facing eviction, improved parks and recreational facilities, and affordable spaces for arts and culture. The most frequently raised concern was the displacement of cultural spaces, culturally significant businesses, and low-income residents due to gentrification, rising rents, and evictions.

In September 2025, City staff hosted a workshop with invited stakeholders from Little Jamaica, West Chinatown and Church-Wellesley Village. The purpose of the workshop was to gather feedback on a potential program structure. The feedback received through this workshop helped refine the City's approach to a Cultural Districts Program.

Toronto's proposed Cultural Districts Program is inspired by a number of highly impactful programs in cities like San Francisco, Minneapolis, and Austin. These programs have successfully helped vulnerable communities mitigate displacement and

preserve cultural identity, while supporting local businesses and tourism. San Francisco's Cultural Districts Program is designed to stabilize communities at risk of displacement or gentrification, and includes [Calle 24 Latino Cultural District](#), [SoMa Pilipinas](#), and the world famous [Castro LGBTQ District](#). Austin's Cultural Districts Program, including the [African American Cultural Heritage District](#), [5th Street Mexican American Heritage Corridor](#), and the [Red River Cultural District](#), support artists and cultural workers, protect cultural heritage, and support inclusive economic development. Vancouver's [Chinatown Cultural District Framework](#) advances policy and planning work related to cultural redress, preservation of designated market districts, and stabilization of culturally significant businesses, and support for arts, culture, and heritage. Minneapolis's cultural corridor initiatives, including [Franklin Avenue East](#) and [East Lake Street](#), support community-led placekeeping and cultural programs to help communities facing gentrification pressures.

CULTURAL DISTRICTS PROGRAM FRAMEWORK

This report proposes a phased framework for Toronto's Cultural Districts Program, combining immediate actions that can be delivered within existing resources in 2026 with a suite of additional targeted supports that could be implemented through the 2027 Budget Process and future years, subject to Council approval. The initial phase focuses on formally recognizing Cultural Districts and launching local capacity-building initiatives to support community-led placemaking, inclusive economic development, and land stewardship. Building on this foundation, the report also outlines scalable targeted supports, including grants and planning tools to address commercial displacement and strengthen the long-term sustainability of Cultural Districts, contingent on the availability of additional funding.

Recognition of Cultural Districts

The first phase of the Cultural Districts Program will include the formal recognition by City Council of geographic areas of the city that meet the definition of a cultural district:

Cultural Districts are culturally distinct mixed-use areas that feature a significant concentration of cultural spaces and institutions, culturally significant businesses, and community spaces. They are widely recognized as areas of shared history and identity for specific cultural communities that offer a sense of belonging. Cultural Districts not only serve the local area but also draw people from across the city and beyond.

In response to direction from Council through [2026.MM39.83](#), Little Jamaica, West Chinatown, Church-Wellesley Village, Little Iran and Banglatown are submitted for recognition as Cultural Districts by City Council as part of this report. Boundaries for each of these proposed Cultural Districts are included in Attachments 1-5.

In future years, additional nominations for recognition as a Cultural District would be submitted by community groups through an online application portal on the City's web page. Nominations would be assessed by a panel of City staff and community representatives based on alignment with the program definition, demonstration of cultural significance, and plans for community collaboration and engagement.

Recommendations for Cultural District recognition will be presented to the Economic and Community Development Committee for consideration on an annual basis, with final approval from City Council. Pending Council approval of the program, nominations for additional Cultural Districts would open in late 2026, with a cohort being presented for approval in 2027. There is no term limit for recognition as a Cultural District.

Nominations for Cultural District Recognition must:

- come from a community group, or a coalition of community groups located in and/or primarily serving the Cultural District;
- demonstrate broad community consensus and support for the nomination, and collaboration with local community organizations, associations, businesses, grassroots groups, community members and the local Councillor(s), including evidence of at least one publicly advertised, open and accessible community meeting to facilitate community collaboration on the Cultural District nomination;
- demonstrate a history of community organizing, community-building, cultural programming, and/or community service provision within the Cultural District that contributes to a sense of belonging;
- submit proposed boundaries of the Cultural District, including rationale for delineation;
- describe the shared history and identity of the cultural district, and identify the anchor cultural spaces and institutions, culturally significant businesses, and community spaces in the cultural district;
- demonstrate a commitment to recognition of Indigenous histories, places and peoples; and,
- demonstrate a commitment to equity, anti-racism and inclusion.

Neighbourhoods recognized as Cultural Districts will be featured on the City web page, receive a proclamation from the Mayor, and be eligible to participate in the local capacity building initiatives, described below. This recognition is considered ceremonial and does not automatically include additional funding or dedicated staffing support for local initiatives. Community organizations and local partners may choose to pursue related community-building projects to celebrate and engage their Cultural District at additional cost, such as place markers, wayfinding signage, special events, public space activations, or other community-led projects that support recognition.

In cases when a Cultural District boundary overlaps with a Business Improvement Area (BIA), the City will work with the Cultural District proponents and BIA representatives to ensure that there are ongoing communications with local businesses so they are aware of all aspects of the recognition plan and can leverage the recognition to preserve culturally significant businesses and support local economic growth. Recognition as a Cultural District does not constitute a formal naming of a particular area nor does it replace existing branding such as the name of a local BIA.

Local Capacity Building Initiatives

The Cultural Districts Program will include a series of regular educational workshops and networking events designed to help community organizations build capacity to lead placemaking, inclusive economic development, and land stewardship initiatives in Cultural Districts. By supporting local partners in leading this work, the Cultural Districts

Program will help to safeguard local cultural identity and create a stronger foundation for residents and businesses to thrive in Cultural Districts.

Local capacity building initiatives will be open to community organizations, businesses and individuals working in Cultural Districts. Examples of sessions include workshops on grant writing, strategic planning, fundraising, board development, business planning, and budgeting; panel discussions on issues pertaining to cultural districts, community land trusts, placemaking and public art; and networking sessions to deepen community engagement, facilitate collaboration and encourage partnerships. The program will offer broader, introductory sessions for community groups looking to develop skills and capacity in these areas, as well as more targeted, intensive workshops and trainings for organizations and individuals already actively working in local planning and community development in Cultural Districts. Pending approval of the Cultural Districts Program, local capacity-building sessions would launch in late 2026.

Local capacity building initiatives will be managed by EDC in collaboration with community partners and partner Divisions and Agencies such as City Planning, Development Review, Social Development, and others. They will be closely aligned with broader City and community-led initiatives, including the objectives of the City's Inclusive Economic Development Framework and ongoing community development efforts led by the City's Social Development Division. By coordinating efforts and sharing resources, the program will complement existing strategies aimed at advancing equitable economic participation, preserving distinct neighbourhood character, strengthening local leadership, and supporting place-based community resilience. This alignment ensures that capacity-building efforts within Cultural Districts are integrated into a wider ecosystem of support, reinforcing long-term sustainability and impact.

Future Phase of Cultural Districts Program: Additional Targeted Supports to Address Commercial Displacement

City Council has directed staff to report through the 2027 Budget Process on any elements of the Cultural Districts Program that require additional financial resources to implement. Pending consideration through the 2027 Budget Process, the second phase of the program could include additional targeted supports within Cultural Districts that are experiencing commercial displacement and loss of culturally significant businesses.

These supports would be targeted to Cultural Districts that meet key criteria, ensuring that resources are directed to communities with the greatest need - particularly those facing the greatest risk of cultural erasure due to development pressures. To be considered for targeted supports to combat commercial displacement, Cultural Districts must:

- have clear evidence of culturally significant businesses, services and community spaces experiencing or being at risk of displacement and/or cultural erasure due to factors such as gentrification, growth or economic pressures; and
- hold significance for Indigenous, Black and/or equity-deserving communities who have experienced social, economic and political exclusion, negatively impacting access to land ownership and community wealth building; and

- have established or emerging community partners working toward placekeeping, placemaking, and land stewardship initiatives led by community organizations, in partnership with residents and local stakeholder groups.

Potential targeted supports requiring additional resources to implement include grants to non-profit organizations to support placemaking projects in Cultural Districts; and direct support to culturally significant businesses, enabled through Community Improvement Plans. Planning assessments and heritage studies may also be considered for Cultural Districts that meet the above-noted criteria.

Grants to Non-Profit Organizations in Cultural Districts

With funding to be sought in future City budget processes, the City could introduce a new grant program offering placemaking grants to non-profit organizations led by and primarily serving communities in Cultural Districts experiencing commercial displacement. These grants would be intended to strengthen the long-term sustainability of these districts by supporting community-led anti-displacement, land stewardship, inclusive economic development, as well as heritage preservation and public space initiatives.

Examples of projects that could be supported through grants include:

- **Planning and feasibility work:** Strategic plans, acquisition strategies, adaptive reuse studies, financial modelling, and other feasibility analyses.
- **Land stewardship initiatives:** Projects such as property and vacancy mapping, building typology analysis, and community land trust development or acquisition.
- **Community-led research and planning:** Economic development strategies, community benefits frameworks, equity indices, asset mapping, and similar studies.
- **Placemaking and public space projects:** Creating or improving gathering spaces, repurposing underused sites, enhancing safety, cultural placemaking projects, and celebrating cultural heritage.
- **Arts, storytelling and cultural programming:** Engaging artists, archivists, elders, and storytellers to document local narratives, lead events, and support intergenerational knowledge-sharing to the benefit of residents and visitors alike.
- **Cultural space development:** Initiatives that expand access to affordable cultural and creative spaces.

Recognizing the need for deeper supports for non-profit organizations working in Cultural Districts, successful grant recipients would have access to a technical support working group made up of City staff to assist with planning, event production, permitting, and other technical aspects of their projects.

In keeping with the Community Grants Policy, eligible applications would be assessed against criteria outlined in published program guidelines, with funding recommendations to be made on a competitive basis based on advice from a community advisory committee. The number of grants available and grant amounts would be determined based on the total confirmed budget made available for the program.

Community Improvement Plans to Address Commercial Displacement

A Community Improvement Plan (CIP) is a *Planning Act* tool that is used to enable municipalities to provide financial incentives to for-profit businesses for the purposes of community improvement. The *City of Toronto Act* generally prohibits the City from providing financial assistance to private businesses unless Council adopts a CIP. City Council has directed staff to take the necessary steps to initiate CIPs for Cultural Districts in Little Jamaica, West Chinatown, Church-Wellesley, Little Iran and Banglatown.

Toronto's Official Plan, specifically Section 5.2.2., guides the use of CIPs, provided the subject area exhibits one of a range of characteristics including declining social, environmental and/or economic conditions or where improvement is needed to support local economic development and revitalization. The Official Plan states that CIPs may be prepared to provide direction for “other municipal actions, programs or investments for the purpose of... strengthening neighbourhood stability, facilitating local physical or economic growth, improving social or environmental conditions, or promoting cultural development.” (5.2.2.3(e)).

CIPs provide municipalities with a flexible tool to support businesses and advance community improvement. One such example is the City's Commercial Façade Improvement Program, which is enabled through a CIP to provide matching grants to help business and property owners upgrade storefronts, improve accessibility, address safety, and enhance the public realm.

Under a CIP, the City could offer a range of targeted financial incentives to mitigate the displacement of culturally significant businesses in Cultural Districts. These could include grants or rebates to reduce operating costs tied to property improvements; grants to support business capacity, such as funding for marketing, digital upgrades, or succession planning; or rent support or tenant stabilization programs to help offset rising lease costs. Other cultural districts programs globally have made use of such tools to support culturally significant businesses, such as Austin, Texas' Place-Based Enhancement Program, which provides a tax incentive for developments to include space for legacy businesses in new or existing projects, and San Francisco's Cultural Districts Program which provides grants to social enterprises and small businesses along with non-profits operating in Cultural Districts. Together, these tools would help sustain culturally significant businesses, encourage long-term affordability, and strengthen the economic resilience of Cultural Districts.

Further research, analysis and consultation is required prior to recommending the introduction of CIPs for Cultural Districts in Toronto. First, there is clear evidence that the commercial main streets in Little Jamaica, West Chinatown and Church-Wellesley are facing economic challenges that make it difficult for culturally significant spaces to thrive and survive, contributing to declining social and economic conditions for the equity-deserving communities that these areas serve and that define their unique local character. CIPs may therefore be recommended for these communities. Further economic analysis is needed to determine the applicability of CIPs for Banglatown and Little Iran. In addition, consultation regarding CIPs is required under the *Planning Act*. This includes consultation with communities and circulation of draft CIPs to the Ministry of Municipal Affairs and Housing. This consultation will help to determine the most

appropriate mix of financial tools to include in CIPs for Cultural Districts in Toronto and must take place prior to consideration of draft CIPs by the Planning and Housing Committee.

As additional funding is required to deliver financial incentives to support culturally significant businesses through CIPs, staff recommend initiating the necessary analysis of local economic conditions in potential CIP areas, followed by consultations to implement CIPs for qualifying Cultural Districts pending the consideration of a request for resources as part of the 2027 Budget Process. This consultation will build on previous engagement with community members and stakeholders in Cultural Districts to refine the scope of potential financial incentives to include in CIPs, within available resources. This will also include advice from partner Divisions including City Planning, Development Review, Social Development, and Corporate Real Estate Management. Based on the results of these analyses and consultations, staff would then report to Planning and Housing Committee in 2027 with recommendations for CIPs in Cultural Districts, where appropriate, that could be delivered within available resources.

Planning Assessments

As part of a Cultural Districts Program, select Cultural Districts experiencing displacement could undergo planning assessments to ensure that growth supports cultural and economic revitalization. These assessments include reviews and updates to existing land use planning frameworks and public realm improvement strategies, informed by the completion of a Cultural Heritage Resource Assessment. This planning work helps to ensure that future development aligns with the unique character and needs of each district.

Currently, planning studies are underway for Little Jamaica and West Chinatown, with final planning frameworks expected to be presented to Planning and Housing Committee and Toronto East York Community Council respectively in 2026. Cultural Heritage Resources Assessments are underway for Little Jamaica and due to begin for West Chinatown this year. Church-Wellesley benefits from a recently updated planning framework and is also scheduled for a Cultural Heritage Resource Assessment beginning in 2027.

Planning for Delivery of Targeted Supports

Effective community development relies on sustained, relationship-based engagement. Best practices emphasize the need for tailored, place-based approaches that require significant staff time for coordination, trust-building, and ongoing collaboration with local stakeholders. Staff estimate that \$300,000 in funding is required annually per eligible Cultural District to deliver grants to non-profits, in addition to any resources required to deliver financial incentives to support culturally significant businesses. Given the resource-intensive nature of this work and limited funding for targeted supports, City staff can only meaningfully support a limited number of Cultural Districts at any one time.

Recognizing this, it is recommended that targeted supports be initially limited to Cultural Districts recognized through this report that meet the core qualifying criteria outlined in

this report, including clear evidence of commercial displacement demonstrated through a net loss of culturally significant businesses. Other communities may still apply to be recognized as a Cultural District and participate in local capacity building initiatives through this program, but will not be considered for additional targeted supports at this time. The program will be evaluated after a period of three years, at which point the City could consider expanding additional targeted supports to other Cultural Districts beyond the initial cohort that meet qualifying criteria. Any such expansion would be considered alongside the gradual winding down of targeted support to initial Cultural Districts, allowing for the rotating allocation of targeted enhancements based on availability of resources and evidence-based prioritization. Phasing the introduction of targeted supports to additional districts allows for focused implementation, careful monitoring, and responsible budget management.

NEXT STEPS

Subject to Council approval, EDC will launch the Cultural Districts Program, including the formal recognition of Little Jamaica, West Chinatown, the Church-Wellesley Village, Little Iran and Banglatown as Toronto's initial Cultural Districts, and begin delivering local capacity-building initiatives for Cultural Districts in late 2026, in collaboration with City Planning, Development Review, and Social Development. An application process for the ceremonial recognition of additional areas as Cultural District will be developed and opened in late 2026, with recommended applications presented to the Economic and Community Development Committee for consideration beginning in 2027 as required. While other areas can be considered for ceremonial recognition, they will not be eligible for additional targeted supports at this time, as outlined above.

Pending consideration of funding through the 2027 Budget Process, staff will complete the necessary consultations with community stakeholders in Cultural Districts to define the scope of additional targeted supports to respond to commercial displacement that could be delivered through Community Improvement Plans. Based on the results of this consultation, and an analysis of local economic activity in Little Jamaica, West Chinatown, Church-Wellesley, Little Iran and Banglatown, staff will report back to Planning and Housing Committee by the end of Q2 2027 with recommendations for CIPs where required to support the delivery of any additional targeted supports.

CONTACT

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SIGNATURE

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ATTACHMENTS

Attachment 1: Map of Little Jamaica Cultural District

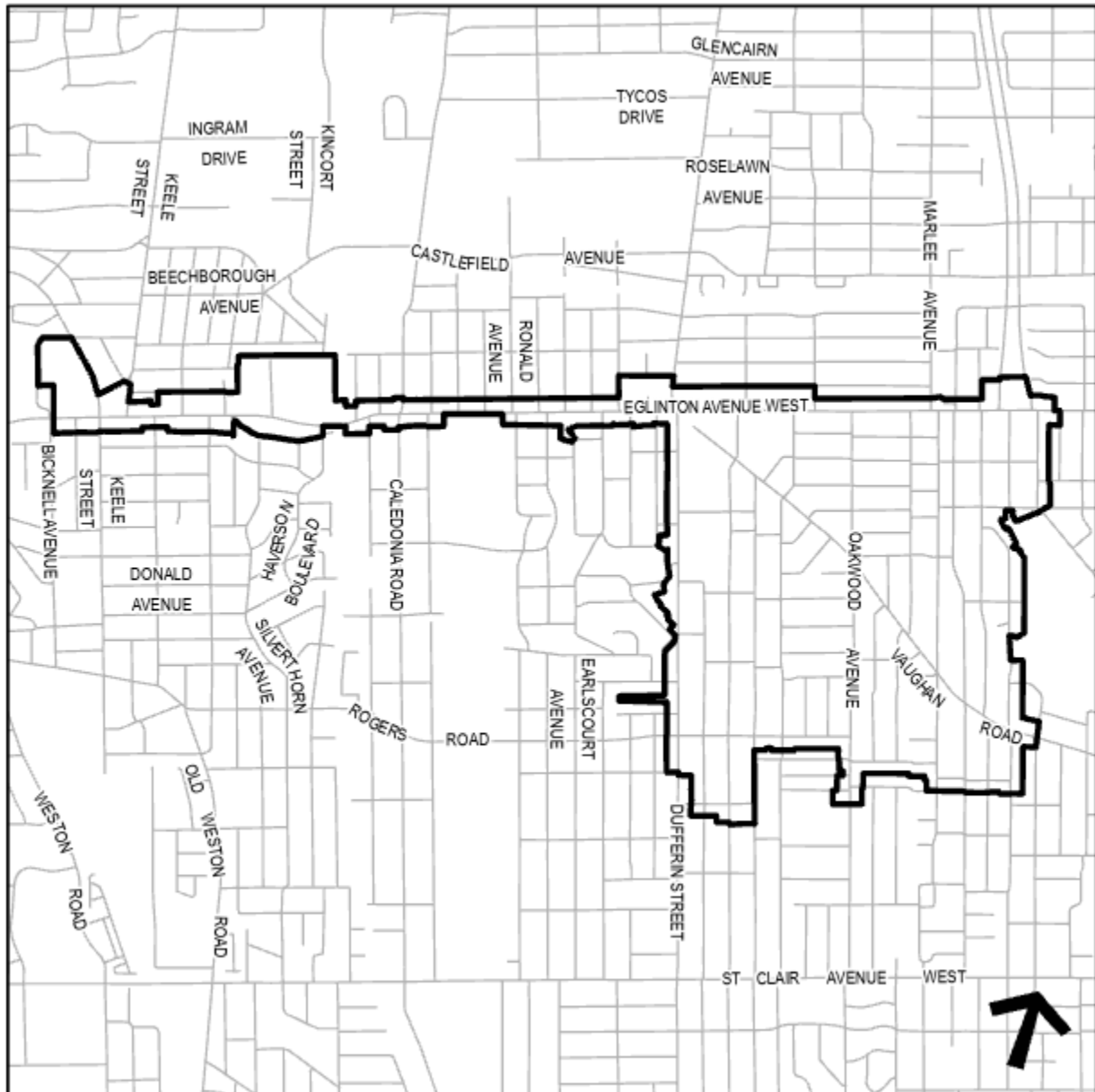
Attachment 2: Map of West Chinatown Cultural District

Attachment 3: Map of Church-Wellesley Village Cultural District

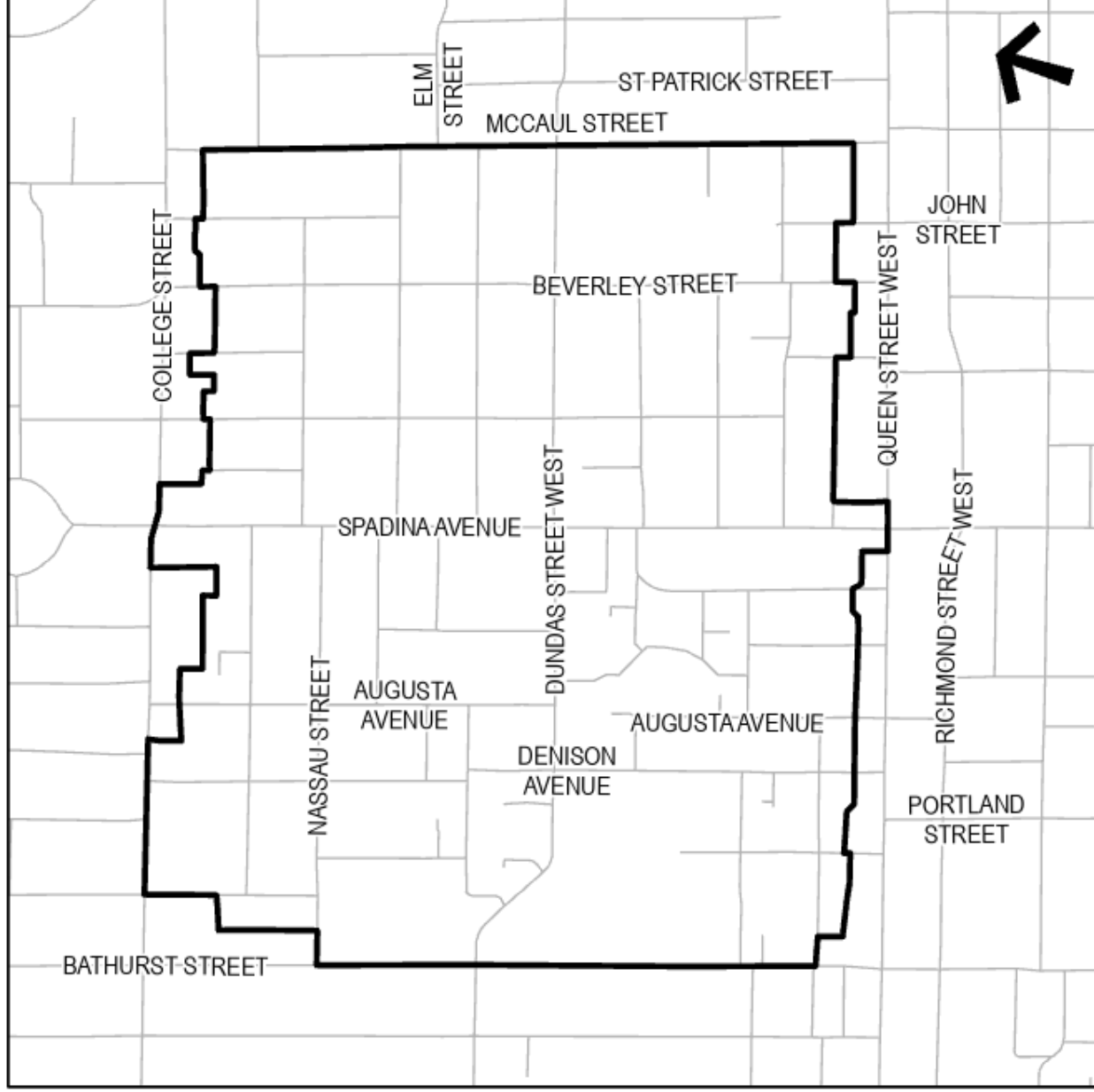
Attachment 4: Map of Little Iran Cultural District

Attachment 5: Map of Banglatown Cultural District

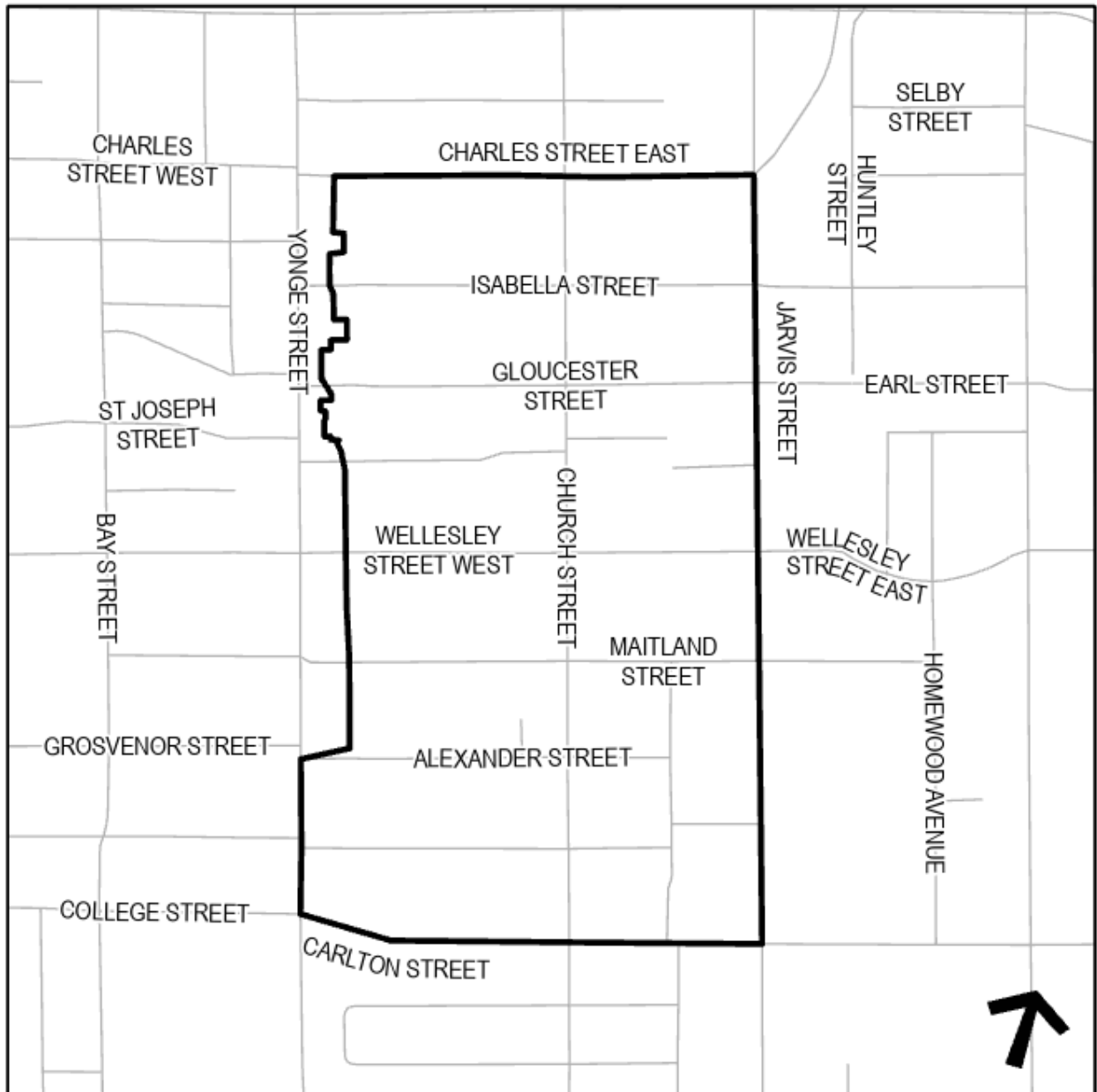
ATTACHMENT 1: MAP OF LITTLE JAMAICA CULTURAL DISTRICT



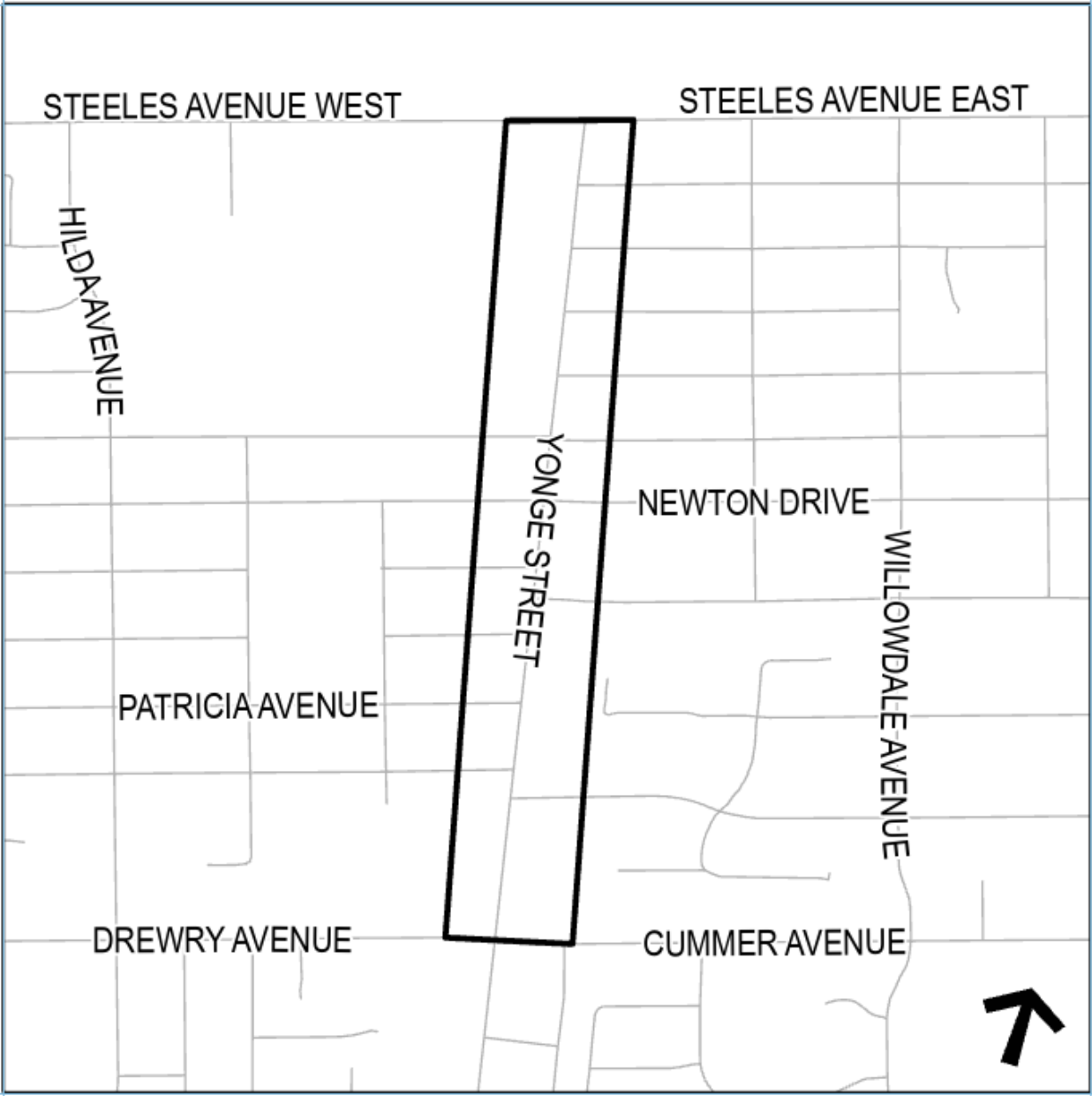
ATTACHMENT 2: MAP OF WEST CHINATOWN CULTURAL DISTRICT



ATTACHMENT 3: MAP OF CHURCH-WELLESLEY VILLAGE CULTURAL DISTRICT



ATTACHMENT 4: MAP OF LITTLE IRAN CULTURAL DISTRICT



ATTACHMENT 5: MAP OF BANGLATOWN CULTURAL DISTRICT

