

A by-law to adopt an amendment to By-law 0135-2017, as amended
(Downtown Community Improvement Plan)
to amend incentive programs and extend the incentive program deadline.

WHEREAS By-law 0052-2013 passed on the 6th day of March, 2013 designates a community improvement project area within the Downtown Core Character Area as established by Mississauga Official Plan;

AND WHEREAS By-law 0178-2016 passed on the 14th day of September 2016, expands the community improvement project area to include all lands within the Downtown Core Character Area as established by Mississauga Official Plan;

AND WHEREAS section 28 of the *Planning Act*, R.S.O. 1990, c.P.13, as amended, (the "*Planning Act*"), states that where a By-law has been passed to designate a community improvement project area, the Council may put in place a community improvement plan identifying measures that the municipality may take to facilitate and accelerate community improvement within the community improvement project area;

AND WHEREAS By-law 0135-2017 implemented the Downtown Community Improvement Plan;

AND WHEREAS By-law 0101-2022 amended the Downtown Community Improvement Plan, which is set to expire on the 22nd day of April, 2026;


AND WHEREAS the Council of the Corporation of the City of Mississauga considers it appropriate to amend the community improvement plan to extend the Downtown Core Character Area program deadline and amend the incentive programs, in accordance with the *Planning Act*;

AND WHEREAS the revised Downtown Community Improvement Plan conforms to the City of Mississauga Official Plan;

NOW THEREFORE the Council of the Corporation of the City of Mississauga
ENACTS as follows:

1. The Downtown Community Improvement Plan, adopted by By-law 0135-2017, and amended by By-law 0101-2022, be further amended in accordance with those amendments attached to this By-law, and that the attached amendments to the Downtown Community Improvement Plan are hereby adopted.

ENACTED and PASSED this _____ day of _____, 2026.

Approved by Legal Services City Solicitor City of Mississauga

Baiqing Luo
Date: January 29, 2026
File: CD.04-DOW

MAYOR

CLERK

The Downtown Office Community Improvement Plan

January 2026

Black text = existing content

Red text = proposed text

Blue strike-outs = proposed deletions

Purple text = moved text (new location)

Purple strike-outs = moved text (old location)

1.0 Introduction

1.1 What is a Community Improvement Plan?

A Community Improvement Plan (“CIP”) is a tool that allows a municipality to direct funds and implement policy initiatives toward a specifically defined area of need, known as a Community Improvement Project Area (“CIPA”). CIPs are intended to encourage rehabilitation initiatives and/or stimulate development through incentives such as tax assistance, grants, or loans under Section 28 of the *Planning Act*, R.S.O. 1990, c. P.13 (“*Planning Act*”). The objective is to realise environmental, social, cultural and economic benefits through more sustainable growth management and development practices.

CIP programs can span a wide spectrum of municipal objectives where, in the medium- and long-term, public benefits are achieved resulting in more socially cohesive, environmentally friendly and/or economically sound communities. The concept is that the municipal assistance offered through a CIP helps achieve the stated goal(s) that otherwise would not be realized in the absence of intervention, also known as the “but for” test – but for the existence of X (e.g. the CIP) would Y (e.g. office development) have occurred?

1.2 Purpose of this Community Improvement Plan

The Downtown Office Community Improvement Plan (“DT CIP”) is a strategic tool intended to stimulate investment in office development. City of Mississauga (“City”) Council enacted the DT CIP in 2017 for a five-year term through by-law 0135-2017 and extended it to April 22, 2026 with minor amendments through by-law 0101-2022.

In 1992, downtown Mississauga’s downtown was the most successful office location within the city, with approximately 3 million sq. ft. (279,000 square metres (“m²”) or 3 million square feet (“sf”) of prestige office space.¹ However, since then, most new office development has relocated in Employment Areas outside of the downtown. In the last 35 years, there have been no significant new office developments has been constructed in the downtown. in over 30 years to the business parks. The Downtown Core Character Area (referred to as the downtown) is currently home to approximately 37,000 residents and 22,550 jobs. The downtown has been successful in attracting high density residential uses. However, no new significant office development has been constructed in the downtown in over 30 years.

In 1992, Mississauga’s downtown was the most successful office location within the city, with approximately 3 million sq. ft. (279,000 m²) of prestige office space. However, since then most office development has relocated to the business parks. In that time, the downtown successfully attracted high density residential uses and is now home to approximately 37,000 residents. The downtown was planned with a 1:1 ratio of residents to jobs, but there are currently significantly

¹ Mississauga Office Strategy Study, Final Report, 2008

more residents than the 27,000 jobs – this gap continues to grow. Intervention is required to offset ~~Some of the challenges~~ ~~major impediments~~ to office development ~~in the downtown are~~ including ~~the cost of~~ land costs, ~~the cost of constructing~~ underground parking requirements, and competition with residential uses ~~that~~ which typically offered more attractive returns on investment.

~~Given vacancy rates are rising in the Greater Toronto and Hamilton Area (GTHA), there is significant competition for office.~~

The factors that make downtown Mississauga attractive for residential are also desirable for office uses: ~~Office development is cyclical in nature and the interest in downtowns is re-emerging. Businesses are interested in~~ urban areas that are walkable and in close proximity to amenities and transit stations. The downtown ~~benefits from a variety of uses – including the~~ ~~has these, as well as, a strong~~ residential base that offers a nearby pool of potential employees. Since the DT CIP was introduced, legislative changes have removed the City's ability to protect for office uses in Employment Areas.² The result is that office developments compete with other uses, typically residential, for mixed use lands. As previously discussed, office development is at a disadvantage when compared to residential. ~~to support future office buildings. Although there appears to be growing interest in locating in the downtown, it is important~~ The DT CIP seeks to narrow the ~~competitive~~ gap ~~between~~ within the downtown and ~~between~~ Mississauga and other municipalities. New office development will support key transit infrastructure investments and ~~balance~~ the existing residential base.

2.0 — Purpose of the CIP

~~The Downtown Community Improvement Plan (CIP) is a strategic tool intended to stimulate investment in office development.~~

The ~~is~~ DT CIP is an enabling tool available to the City should a landowner or tenant be interested in participating in one or a combination of programs. ~~Applications~~ ~~The proposal~~ must meet the ~~minimum eligibility~~ criteria outlined in this CIP and ~~demonstrate~~ advancement of the City's strategic priorities. All proposals are subject to ~~approval from~~ City Council, ~~approval~~ or ~~that of~~ its delegate.

3.0 — 2.0 Vision

3.2.1 Downtown 21 Master Plan

One of the ~~City's~~ strategic goals ~~for the City~~ is to create a vibrant downtown that will be the ~~city's~~ civic and cultural hub ~~of the city~~, as well as a strong economic centre. The Downtown 21 Master Plan ("DT 21") articulates the vision for the downtown and defines six guiding principles ~~to~~ ~~achieve the plan's goals. They are:~~

1. Catalyze Employment
2. Build Multi Modal
3. Create an Urban Place
4. Living Green
5. Establish a Focus
6. Create a Development Framework with Predictability

~~DT21 set a target of~~ ~~The Downtown Core is to achieve~~ a 1:1 population to employment ratio

² Bill 97, Helping Homebuyers, Protecting Tenants Act, 2023 and the Provincial Planning Statement, 2024 excluded institutional and commercial uses (e.g. office and retail) that are not associated with a primary employment use (e.g. manufacturing, warehousing) and allow private amendment requests to remove lands from Employment Areas at any time.

with a total **forecast** population of 70,000 people and 70,000 jobs.

32.2 Mississauga Official Plan

Mississauga Official Plan Amendment 8 (“MOPA 8”) implements the vision of the Downtown 21 Master Plan. ~~Mississauga Official Plan 2010 (“MOP”) includes policies, as required by the Planning Act, that allow the City to designate community improvement project areas and prepare and adopt community improvement plans. The policies list the types of matters that a CIP may address, one of which is the identification of the need to encourage office and other employment opportunities.~~

The Downtown Core Local Area Plan (“DLAP”) includes various policies to support the provision of a CIP for office in Mississauga’s downtown. Attracting new jobs, particularly in the office sector to balance population and employment (Policy 4.1.c of DLAP) is identified as a guiding principle. Consideration of CIPs and other planning tools are identified as strategies to encourage, incent and support employment uses in the DLAP as well (Policy 5.1.3).

City Council adopted Mississauga Official Plan 2051 (“MOP 2051”) on April 16, 2025. Upon Ministry of Municipal Affairs and Housing approval, MOP 2051 will replace both the 2010 Mississauga Official Plan (“MOP”), as amended, including the implementation of the DT21 vision, and the 2024 Region of Peel Official Plan (“ROP”).³

MOP and MOP 2051 include policies, as required by the *Planning Act*, allowing the City to designate CIPAs and prepare and adopt CIPs (MOP 19.22, MOP 2051 18.22). These policies list the types of matters that a CIP may address, including off-street parking (MOP 19.22.6 b, MOP 2051 18.22.5 b), office and other employment opportunities (MOP 19.22.6 n, MOP 2051 18.22.5 n) and growth management and encouraging transit-supportive communities (MOP 19.22.6 p, MOP 2051 18.22.5 p) among others.

Section 9.2 of MOP 2051 addresses office uses and the importance of office development in the Downtown Core to support higher order transit and create a lively mixed use live/work area. MOP 2051 directs major office development to the Downtown Core and other Strategic Growth Areas (9.2.1).

Chapter 12 of MOP 2051 identifies the Downtown Core as a unique area where much of the city’s future growth will locate. The Downtown Core guiding principles include strengthening its role as the primary location for major office (12.3 a) and attracting new jobs, particularly the office sector to balance population and employment (12.3 c).

While the Downtown Core intends to accommodate the highest mix of population and employment in the city, its unlimited height and density permissions and previous market conditions have resulted in primarily residential uses. Achieving a sustainable balance between residents and employees is a growing challenge as additional residential population is anticipated to further skew the ratio. Specific MOP 2051 policies addressing this issue include:

- Accommodate increased employment on mixed use and office designated lands and as the non-residential component of high density residential development (12.5.2)
- Pursue strategies to encourage, incentivize and support employment uses including consideration of CIPs and other planning tools (12.5.3)
- Strongly encourage incorporation of office uses as part of residential development (12.5.5)
- Plan the Downtown Core to attract considerable employment, including major office (12.6.1 e)

³ Bill 23, More Homes Built Faster Act, 2022 removed the Region of Peel’s upper-tier planning responsibilities

- Require that redevelopment on office designated lands retain or replace existing office space (12.7.7)
- The Downtown Core has eight districts, many currently, or are planned to contain, major office:
 - The Exchange District brings together surrounding commercial, civic and residential uses to serve as a model, catalyst and attractor for ongoing investment. It is intended to create a critical mass of at least 5,000 employees (12.4.1)
 - The Rathburn District will intensify long-term with an emphasis on office and employment uses leveraging pedestrian amenities and future higher order transit. Highway 403 visibility and access make this a prestigious office district. (12.4.4)
 - The Hurontario District has the highest concentration of existing office in the downtown, providing opportunities for new office development and intensification of existing sites (12.4.6)
 - The Sussex District includes significant office and residential development with some infill opportunities (12.4.8)

This CIP is consistent with MOP 2051 as well as the existing MOP, MOPA 8 and Region of Peel Official Plan policies.

32.3 Type of Office in the Downtown

The top three industries in the Downtown Core according to the 2024 Employment Survey are:

- Retail (5,040 employees)
- Finance and Insurance (4,139 employees)
- Professional, Scientific and Technical Services (3,165 employees)

• Retail Trade

Emerging industries, such as Creative Industry, and office types, such as shared spaces, innovative spaces and cluster spaces, are highly encouraged in the downtown. These office uses would be permitted in the office and mixed use designations in the Downtown Core.

32.4 Regional Government Participation

On April 22, 2021, The Region of Peel enacted by-law 29-2021 establishing the Regional Major Office Incentives Program (“MOI”) to provide financial incentives to encourage major office development. Eligible major office developments can may be eligible to receive a matching Tax Increment Equivalent Grant (“TIEG”)s for a period of up to ten years to offset increased property taxes. The MOI is currently open to receive applications until April 22, 2026, but staff are considering an extension and amendments. Additional information is available on the program website:

<https://www.peelregion.ca/planning/business/office-incentives-program/>

32.5 Stakeholder Consultation

~~In the fall of 2015 staff engaged stakeholders to discuss a CIP, specifically the boundaries and potential incentives. The engagement revealed that in order to achieve office development, the boundary would need to capture opportunities beyond the existing downtown transit terminal. Staff also heard that incentives would help developers offset the cost of building parking. Further, Regional participation was said to be critical to the success of the program.~~

~~A public meeting was held on October 24, 2016 to provide members of the community and interested stakeholders an opportunity to comment on the draft Downtown CIP. There was general support for a CIP in the downtown.~~

Some of the comments raised at the public meeting include:

- Concern with the criteria requirement of applications complying to MOPA 8 and its related Zoning, as it would not provide for minor variance allowances
- Certainty around the amount of TIEG incentive that would be provided by the City
- Expedited timing of approvals under staff delegated authority
- Request that the incentives apply to existing office sites
- Consideration of the type of office expected in the downtown due to the changing nature of technology and its impact on office space needs and the amount of parking that would be required
- Comments on opportunities for creative industry within downtown office

Changes made to the Downtown CIP in response to these comments:

- The eligibility criteria is amended to delete the requirement that applications comply to MOPA 8 and its related zoning. Existing policies will apply
- The TIEG incentive is not changed. The CIP is intended to be an enabling tool so that applications can be considered on a case-by-case basis
- A by-law to delegate approval authority of the TIEG (up to a cumulative total of 500,000 square feet of office gross floor area [46,452 square metres of office gross floor area]) and Development Processing Fees Grant to the City Manager was prepared
- This CIP is intended for new office development. No changes have been made to make the incentives applicable to existing office developments
- The current office market still demands parking at a ratio greater than the zoning requirement, even if efficient transit is provided
- Creative industry is encouraged to locate in the downtown and would be permitted to do so under existing policies

Engagement related to the creation of the DT CIP commenced in the fall of 2015 and included a public meeting on October 24, 2016.

On February 14, 2022 staff proposed extending that the CIP's duration to align with be extended given Peel's recent adoption of its MOI. A public meeting was held on March 28, 2022 to provided members of the community members and interested stakeholders an the opportunity to comment on the proposed amendments updated draft Downtown Community Improvement Plan. The comments received at the public meeting were supportive of the proposed amendments and additional comments received are general in nature and do not require further modification to the amendment.

The most recent amendment to the DT CIP included engagement through one-on-one meetings with interested Downtown CIPA commercial landowners in addition to a public meeting on January 26, 2026.

Comments received through engagement included:

- The DC deferral has the most meaningful impact
- Defining the TIEG supports more accurate pro forma calculations
- The CIP is unlikely to rebalance the challenges with the current market, but will create a more desirable office development landscape for when conditions improve

53.0 Legislative Authority

53.1 Municipal Act

Section 106(1) of the *Municipal Act*, 2001, S.O. 2001, c.25 ("*Municipal Act*") prohibits municipalities from assisting, either directly or indirectly, any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose. However, an exception is made in Section 106(3) of the *Municipal Act*, 2001, for municipalities exercising powers under Section 28(6) or (7) of the *Planning Act*. Section 28 of the *Planning Act* allows municipalities with community improvement policy provisions in their Official Plans, to designate by by-law a "community improvement project area". Once designated, a municipality may prepare a "Community Improvement Plan" which may provide either direct or indirect financial assistance to businesses in the designated area.

53.2 Planning Act

According to Section 28(1) of the *Planning Act*, a "community improvement project area" is defined as "a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason."

For the purposes of carrying out a CIP, a municipality may engage in the following activities within the community improvement project area:

- acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28(3))
- construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the CIP community improvement plan (Section 28(6))
- sell, lease or otherwise dispose of any land acquired or held by it in conformity with the CIP community improvement plan (Section 28(6))
- make grants or loans to registered owners, assessed owners and tenants, or assignees of lands and buildings within the CIPA community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the cost of the eligible costs of the CIP rehabilitating such lands and buildings in conformity with the community improvement plan (Section 28(7))

4.0 Community Improvement Project Area (CIPA)

On March 6, 2013, City Council passed By-law #0052-2013 thereby designating the Exchange District of the Downtown Core Character Area as a Community Improvement Project Area (CIPA) through by-law 0052-2013. The CIPA was expanded to the entire Downtown Core Character Area (Figure 1) through by-law #0178-2016 was passed on September 14, 2016 that expanded the CIPA to the entire Downtown Core Character Area (Figure 1).

The rationale for expanding the boundary is to provide greater opportunity to attract office development to the downtown, with the objective of creating a complete community with a balanced population to employment ratio. This would ensure opportunities afforded by new light rail transit (LRT) and bus rapid transit (BRT) investments are capitalized.

Complementary CIPAs and corresponding CIPs may be enacted by Council to stimulate office growth and/or complementary uses in other targeted areas of the city.

The "but for" test establishes the need for the incentives and asks "but for the existence of X, would Y have occurred?" This test applies to the downtown, i.e., but for any type of incentive, office development will likely not occur in the downtown.

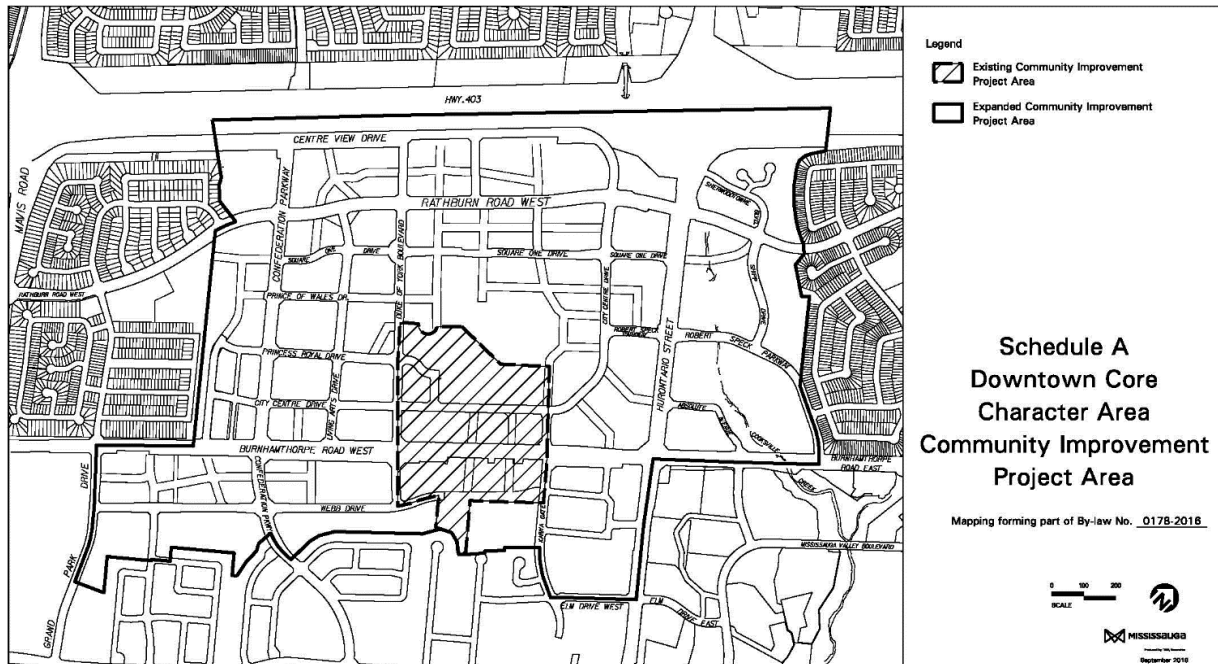


Figure 1: Downtown Core Community Improvement Project

5.0—Legislative Authority

5.1—Municipal Act

Section 106(1) of the Municipal Act, 2001, prohibits municipalities from assisting, either directly or indirectly, any manufacturing business or other industrial or commercial enterprise through the granting of bonuses for that purpose. However, an exception is made in Section 106(3) of the Municipal Act, 2001, for municipalities exercising powers under Section 28(6) or (7) of the Planning Act. Section 28 of the Planning Act allows municipalities with community improvement policy provisions in their Official Plans, to designate by by-law a “community improvement project area”. Once designated, a municipality may prepare a “Community Improvement Plan” which may provide either direct or indirect financial assistance to businesses in the designated area.

5.2—Planning Act

According to Section 28(1) of the Planning Act, a “community improvement project area” is defined as “a municipality or an area within a municipality, the community improvement of which in the opinion of the council is desirable because of age, dilapidation, overcrowding, faulty arrangement, unsuitability of buildings or for any other environmental, social or community economic development reason.”

For the purposes of carrying out a CIP, a municipality may engage in the following activities within the community improvement project area:

- acquire, hold, clear, grade or otherwise prepare land for community improvement (Section 28(3))
- construct, repair, rehabilitate or improve buildings on land acquired or held by it in conformity with the community improvement plan (Section 28(6))
- sell, lease or otherwise dispose of any land acquired or held by it in conformity with the community improvement plan (Section 28(6))

- ~~make grants or loans to registered owners, assessed owners and tenants of lands and buildings within the community improvement project area, and to any person to whom such an owner or tenant has assigned the right to receive a grant or loan, to pay for the whole or any part of the cost of rehabilitating such lands and buildings in conformity with the community improvement plan (Section 28(7))~~

65.0 The Downtown Office Community Improvement Plan (DT CIP)

65.1 Goals

The key goal of the DT CIP is to attract office development, **with its high employment density to which in turn creates employment. Attracting additional employment to the downtown will** help balance growth and create an active, vibrant environment that:

- provides a lively, pedestrian and transit-oriented urban place that is a model, catalyst and attractor for on-going investment in the downtown
- supports existing and planned transit infrastructure
- supports arts, culture, recreation activities, institutions, entertainment and other employment uses

In addition to balancing population growth, balancing land uses and their associated property taxes and service requirements support the City's economic sustainability.

65.2 Objective

The **objective of the Downtown DT CIP's objective** is to stimulate private sector **office development** investment through grant programs aimed at reducing development costs.

76.0 Incentive Programs / Toolbox

76.1 The "Toolbox" Approach

The **approach with the Downtown DT CIP is to** enables a "toolbox" of incentives that can be used to attract office development by providing incentives to offset the high cost of parking, **land and construction** in the downtown, subject to budget and program approval of Council, or its delegate. A list of programs **that are** enabled **as part of** by this CIP are **set** outlined below.

Once the CIP is adopted, some or all of the incentive programs in the toolbox may be activated. Applicants may choose to apply for one or a combination of programs. All applications are subject to a case-by-case evaluation and financial assessment.

No upfront seed money is allocated in conjunction with this **CIP** and the details of each program (commitment of funding, budget allocation, time limits, changes, termination, forms and instructions) **are to** will be secured through a formal and legally binding agreement.

76.2 Financial Incentive Programs

This CIP toolbox includes the following potential incentives:

- Tax Increment Equivalent Grant ("TIEG")
- Development Processing Fees Grant
- Municipally Funded Parking Program
- Municipal Property Acquisition and Disposition
- Development Charge ("DC") Deferral

76.2.1 Tax Increment Equivalent Grant (TIEG)

Intent: To promote office development by removing the financial disincentive associated with increased property taxes **related to this type of** post-development.

Description: A TIEG is a financial incentive to improve or redevelop property. It is provided in the form of a grant equivalent to a portion of the increase in the municipal property taxes directly attributable to a development/improvement. After the development has been constructed, the City provides a grant to the ~~property~~ owner on an annual basis for an agreed upon term. ~~Such grant programs often diminish in scale over their duration.~~

For ~~net new and/or replacement office~~ ~~example,~~ the duration of the TIEG ~~grant might will~~ be ten years. ~~At~~ In year one, the ~~value of the~~ grant is equivalent to 100% of the increase in municipal property taxes, ~~or the increment,~~ due to the ~~improvement/~~development. ~~At~~ In year two, the ~~grant~~ is reduced by 7% resulting in 93% of the increment being rebated through a grant. The grant value continues to reduce by 7% annually for the term of the TIEG. The TIEG for net new office will follow the below schedule: ~~value drops to 90% of the increase and continues to drop 10% a year until the last year of the grant program.~~

Year	Grant %	City Retained Taxes %
1	100%	0%
2	93%	7%
3	86%	14%
4	79%	21%
5	72%	28%
6	65%	35%
7	58%	42%
8	51%	49%
9	44%	56%
10	37%	63%

Table 1: TIEG Schedule

Funding: Limited to property taxes charged by the City and pro-rated to apply ~~only~~ to the office ~~portion of a development~~ ~~only~~. Successful applicants may be eligible for a matching Regional TIEG through the Region of Peel's MOI Program ~~thereby enabling the stacking of incentives~~. ~~Stacking of incentives from different levels of government is permitted where the combined total of incentive values does not exceed legislated maximums.~~

Implementation: Detailed implementation including but not limited to incentive limitations, duration, funding and financial and other conditions will be determined through a formal ~~legal program~~ agreement.

If ~~during the course of the work,~~ the scope of the work changes, or actual costs are ~~greater or~~ less than estimated costs, the City reserves the right to ~~increase or~~ decrease the total amount of the grant. The annual grant payment will be based on the actual increase in property taxes as calculated, based on the ~~actual re-evaluation by the~~ Municipal Property Assessment Corporation ("MPAC") ~~assessment~~ following project completion, ~~or the estimate, whichever is less.~~

The grant will only be paid if the current year taxes are paid in full.

Timing: Applications for this program will be received ~~is time limited~~ from the date of Council approval until the earlier of a term of five years or once 50,000 m² of office space is incentivized by this CIP ~~until April 22, 2026~~. Agreements that extend beyond the program duration remain active and valid.

76.2.2 Development Processing Fees Grant

Intent: To improve the feasibility of developing office uses in the downtown by rebating the ~~development~~ ~~planning and building permit~~ application fees paid for ~~office development~~ ~~this type~~

of proposal.

Description: For eligible appropriate development projects, a one-time rebate grant may be offered equivalent to the City municipal planning and building application fees related to the items listed below, provided that they were paid after making an application to the DT CIP:

- Building permits
- Official plan amendments
- Rezoning
- Minor variances and consents
- Site plans, site plan amendments
- Plans of subdivision

Funding: Limited to planning and building application fees charged by paid to the City and prorated to only apply to the office portion of a development only. Stacking of incentives from different levels of government is permitted where the combined total of incentive values does not exceed legislated maximums.

Implementation: Detailed implementation including, but not limited to, incentive limitations, duration, funding and financial and other conditions will be determined through a formal legal program agreement.

Timing: Applications for this program will be received is time limited from the date of Council approval until the earlier of a term of five years or once 50,000 m² of office space is incentivized by this CIP until April 22, 2026. Agreements that extend beyond the program duration remain active and valid.

76.2.3 Municipally Funded Parking Program

Intent: To provide off-street parking at reduced cost to the office developer.

Description: As a means of stimulating new office building development and supporting other City initiatives, the City may build and own a municipal stand-alone parking facility where supported by a business case that demonstrates public benefits. The City may offer a below market value rate for the rental or lease of City-owned the parking.

Alternatively, the City may co-locate a portion of municipally owned parking within a private office building development where supported by a business case that demonstrates public benefits. The City would retain ownership of the facility/spaces for the long term.

Funding: Limited to capital budget approval by Council.

Implementation: Detailed implementation including, but not limited to, leasing rate, incentive limitations, duration, funding, and financial and other conditions will be determined through a formal legal program agreement with the developer subject to approval by Council.

Timing: Applications for this program will be received is time limited from the date of Council approval until the earlier of a term of five years or once 50,000 m² of office space is incentivized by this CIP until April 22, 2026. Agreements that extend beyond the program duration remain active and valid.

76.2.4 Municipal Property Acquisition and Disposition

Intent: To provide land at market or below market value for developments that include office.

Description: The City may acquire key properties for the purposes of office (re)developing them for office buildings. The City may issue requests for proposals (RFPs) for the private development of key municipal properties and/or participate in public-private partnerships (P3s)

for development that achieves the objectives of the DT CIP. Additionally, the City may elect to dispose of City-owned lands for the purpose of attracting new office building development. Prospective public agencies or governments wishing to build office buildings may also apply to this program.

Funding: Limited to capital budget approval by Council.

Implementation: Detailed implementation will be determined at the time of land acquisition or disposition.

Timing: Applications for this program will be received is time limited from the date of Council approval until the earlier of a term of five years or once 50,000 m² of office space is incentivized by this CIP until April 22, 2026. Agreements that extend beyond the program duration remain active and valid.

5.2.5 Development Charge (DC) Deferrals

Intent: Deferring the payment of City development charges (“DCs”) to improve the feasibility of developing office uses in the downtown.

Description: The City may defer its portion of the DCs incurred by an office development for a period of five years where the minimum eligibility criteria is met. Longer deferrals may be considered for projects that go above the minimum eligibility criteria, but do not meet the exceeding eligibility criteria. A ongoing deferral may be granted for office developments that meet the exceeding eligibility criteria.

City DCs will be payable prior to the end of the deferral period where there is:

- Change of use from office
- Sale, or transfer of ownership, of the property without an executed assumption agreement
- Any other default contained in the legal agreement securing the DC deferral

The City DCs will be due in full within 15 days of the end of the deferral period. Where the deferral has been terminated by a reason listed above, DCs and applicable interest will be due in full within 15 days of the City providing written notice that the deferral has been terminated. Throughout the deferral, interest will accrue and compound on the full sum of the deferral commencing with the original date that the DCs would have been payable in the absence of the DT CIP deferral.

Where the deferred DCs are paid within the 15 day period following the end of the deferral period, the City will forgive all interest charges. If deferred DCs are not paid by the 15th day, or the deferral period was terminated in writing by the City, interest will be applied and will continue to accrue and compound until all outstanding charges are paid in full.

If any DCs, including applicable interest, are unpaid within 15 business days immediately following the expiry of the deferral, or termination, the DCs, including applicable interest, will be added to the tax roll and collected in the same manner as taxes. If unpaid DCs are added to the tax roll, interest will continue to accrue and compound until all outstanding charges (DCs plus applicable interest) are paid in full.

Funding: Limited to City DCs and pro-rated to only apply to the office portion of a development. Stacking of incentives from different levels of government is permitted where the combined total of incentives does not exceed legislated maximums.

Implementation: Detailed implementation including, but not limited to, incentive limitations, deferral duration, accrued interest, funding, financial and other conditions will be determined

through a formal legal agreement.

Timing: Applications for this program will be received from the date of Council approval until the earlier of a term of five years or once 50,000 m² of office is incentivized by this CIP. Agreements that extend beyond the program duration remain active and valid.

The community improvement strategies referenced above describe incentives for private sector development. Prospective public agencies or governments wishing to build office buildings may also apply to this CIP program. The details and structuring of incentive packages will be prepared on a case-by-case basis subject to Council approval, or that of its delegate.

76.3 Guiding CIP Principles

The DT CIP program is designed to assist proponents who complete projects rather than those who speculate on the granting of development approvals (such as rezoning applications) only to enhance land use or density permissions.

Individual programs may not be activated or may be terminated by based on Council, decision or its delegate.

The level of incentive available to successful proponents is based on many factors including the following: location within the CIPA, type of development, quality of the proposal, public benefit, and alignment with the strategic priorities of the City.

~~Incentives will not be granted to office uses that are considered accessory to another use.~~

76.4 General Eligibility Criteria

Incentives are only available where an application meets all of the minimum eligibility criteria. Additional incentives, or deeper incentives, may be available where an application achieves exceeding eligibility criteria, which further advance the City's goals and objectives.

6.4.1 Minimum Eligibility Criteria

The general minimum eligibility criteria for participation in one or more of the Downtown DT CIP programs is as follows:

- a. Only lands situated within the Downtown CIPA as outlined in Figure 1 are eligible
- b. Only new construction or the adaptive reuse of existing office buildings, where the payment of increased property taxes would apply, are eligible
- c. Only buildings with a minimum height of three storeys are eligible
- d. a minimum of ~~5,000 m² (50,000 sq. ft.)~~ 2,000m² (approximately 20,000 sf) of net new office space under single ownership is required to be eligible (condominium owners are only eligible where their single ownership meets the minimum threshold)
 - o An exemption to this criterion is provided where only a TIEG for the retention or replacement of office is being sought
- e. Only the office portion of a mixed-use development is eligible
- f. Transportation Demand Management ("TDM") measures must be included in accordance with MOP Section 8.5 / MOP 2051 Section 7.7 or related transportation master plans
- g. The subject property may not be in a position of tax arrears at the time of agreement and throughout the entire length of the agreement's duration

6.4.1 Exceeding Eligibility Criteria

In order to qualify for an ongoing DC deferral, the following exceeding eligibility criteria must be met in addition to the minimum eligibility criteria outlined above:

- a. The office development must result in at least a 50% increase in office assessment

- value, as assessed by the MPAC post-development
- b. The development must be a minimum of 8-storeys
 - c. A minimum of 10,000 m² (approximately 100,000 sf) of new office space under single ownership is required (condominium owners are only eligible where their single ownership meets the minimum threshold)
 - d. The development must create a minimum of 400 office jobs

87.0 Implementation

8.1 Activation

This ~~CIP~~ shall come into effect the day after the approval of the adopting by-law (and the expiration of the appeal period).

87.2 Administration Process

The ~~DT Downtown~~ CIP will be administered by the Planning and Building Department. Additional information and application forms can be found on the ~~City's Planning and Building~~ website at:

<https://www.mississauga.ca/projects-and-strategies/city-projects/downtown-community-improvement-plan/>

If incentives are granted, the ~~land~~ owner or tenant will be subject to terms and conditions ~~which will~~ to be secured ~~within~~ through a legally binding agreement. A list of potential terms and conditions are found in Appendix 1. The list is provided for information only as legal agreements will ~~likely be subject to~~ include additional general and specific provisions beyond those listed.

87.3 Amending Policies

A formal amendment to this CIP is required in the following circumstances:

- Changes to the Downtown CIP / boundary
- ~~the~~ Addition of new grant, loan and incentive programs, ~~not referred to in the Downtown CIP~~
- Other major revisions (e.g. program time frames, eligibility criteria, etc.)

The discontinuation, by Council of any program referred to in the ~~DT Downtown~~ CIP shall not require a ~~an~~ formal amendment ~~to the Plan~~. Amendments are subject to the provisions of the *Planning Act* with respect to notice, public involvement and appeal ~~provisions~~.

87.4 Marketing the CIP

~~Marketing of~~ The ~~DT Downtown~~ CIP ~~after it has been approved~~ may be promoted through a number of means, including but not limited to:

- ~~Website~~ Content on ~~the~~ City ~~of Mississauga Planning and Building~~ ~~websites~~ ~~page~~
- ~~Digital and/or~~ print media (e.g. ~~including a~~ newspaper advertisement, program notice ~~distribution to all eligible properties~~, brochures, press releases)
- ~~A~~ Targeted social media campaign (e.g. ~~Twitter X~~, LinkedIn, ~~Blog~~)
- ~~and~~ Email communications to key stakeholders
- ~~Content in/on the~~ Utilize Economic Development ~~Office-Division's~~ partners' media and websites (i.e. Invest Ontario, Toronto Global, Mississauga Board of Trade, realtors, developers)
- Development of a downtown marketing campaign
- ~~Municipal solicitation for expressions of interest in the tool box incentives~~
- Meetings with key stakeholders, including property owners, Building Industry and Land Development Association (BILD) and other interest groups

87.5 Monitoring the Plan

The Planning and Building department will conduct annual monitoring of the DT CIP, program participation and performance ~~will be conducted by the Planning and Building Department annually~~ to provide the basis for decisions regarding program design and funding. Potential monitoring items and metrics include tax assessment totals and contribution to the City's total tax base, office vacancy rates, and value of building permits issued.

Auditing may also include a third party review of the office market to validate the "but for" test and need for incentives. This review may examine existing office rates, construction costs, demand for parking, and other criteria established by staff.

Appendix 1

Terms and Conditions for the Use of Incentives

The Downtown Community Improvement Plan (“DT CIP”) incentive programs are subject to City of Mississauga (“City”) Council approval, or ~~that of~~ its delegate. If incentives are granted, the ~~land~~ owner or tenant may be subject to the following terms and conditions. The list provided below is for information only as legal agreements will **include additional general and specific likely be subject to** provisions beyond those listed.

- a. The merits of providing financial incentives will be considered on a case-by-case basis. The decision to provide financial incentives is entirely at the discretion of ~~the City of Mississauga~~ Council, or ~~that of~~ its delegate
- b. A formal agreement between the City and ~~land~~ owner, tenant or authorized agent is required to establish the terms of the incentive package and obligations of the City and recipients. This agreement will specify the terms, conditions, duration and default provisions of the incentive to be provided and will be subject to approval by Council, or ~~that of~~ its delegate
- c. The development proposal **must** ~~meets~~ all legal and financial obligations of the agreement
- d. The subject property may not be in a position of tax arrears at the time of agreement and throughout the entire length of the agreement’s duration
- e. Where other sources of government and/or non-profit organization funding (**e.g.** Federal, Provincial, Municipal, Canada Mortgage and Housing Corporation (CMHC), Federation of Canadian Municipalities, etc.) are anticipated or have been secured ~~to cover a portion of redevelopment~~, they ~~se~~ must be declared prior to the approval of the agreement by Council or its delegate
- f. If the recipient fails to comply with the conditions of the agreement with the City, the City may delay, reduce or cancel the approved incentive, and require repayment of the approved incentive
- g. All proposed works approved under the financial incentive programs shall conform to all municipal by-laws, policies, procedures, standards and guidelines
- h. All works proposed under one or more of the financial incentive programs shall be in conformity with Mississauga’s Official Plan and other planning requirements and approvals at **all levels of government** ~~both the local and regional level~~
- i. All improvements made to buildings and/or land shall be made pursuant to a Building Permit, and/or other required permits, and constructed in accordance with the Ontario Building Code and all applicable zoning requirements and planning approvals
- j. All works completed must comply with the description of the works as provided in the application form and/or contained in the program agreement with any amendments as approved by the City
- k. When required by the City, outstanding work orders, and/or orders or requests to comply, and/or other charges from the City must be satisfactorily addressed prior to the approval/payment of the incentive
- l. City staff, officials, and/or agents of the City may inspect any property that is the subject of an application for any of the financial incentive programs offered by the City
- m. No incentive funds will be dispersed by the City until the development has been completed and received final inspection from the Planning and Building Department