

April 22, 2003

To: Policy and Finance Committee

From: Chief Administrative Officer

Subject: "Enough Talk: An Action Plan for the Toronto Region" – Report of the Toronto

City Summit Alliance

Purpose:

This report transmits the recommendations of the Toronto City Summit Alliance to City Council, describes the origin and composition of the Alliance, the process it used to develop its report, and advises Council of input to the Alliance by city staff. This report also informs Council that staff across the corporation are reviewing the Alliance's recommendations in detail and will report further on their consistency with City Council positions.

Financial Implications and Impact Statement:

There are no direct financial implications arising from the recommendations in this report.

Recommendations:

It is recommended that:

- (1) Council congratulate the chair and members of the Toronto City Summit Alliance for their efforts and advocacy on behalf of Toronto; and
- (2) the appropriate City Officials be authorized and directed to take the necessary action to give effect thereto.

Background:

On June 25-26, 2002 the Mayor hosted the Toronto City Summit. At the conclusion of the Summit, the event's co-chairs agreed to develop an action plan focused on the issues identified at the Summit:

- infrastructure (physical, affordable housing, community services, culture, tourism and recreation);
- education (early childhood, schools, colleges and universities);
- immigration;
- finance; and
- economy.

Mr. David Pecaut volunteered to chair an alliance of leaders from the business, labour, social, voluntary, cultural and education sectors to prepare the action plan. This Toronto City Summit Alliance (TCSA) Steering Committee was supported by a cross-sectoral working group. The members of the steering committee and working group are listed in attachments 2 and 3 respectively. The steering committee and working group drew on existing research and met on several occasions during the winter. The Alliance published its report, entitled "Enough Talk: An Action Plan for the Toronto Region" on April 11, 2003. The report's recommendations and activities that the Alliance proposes to proceed with on its own initiative are summarized in attachment 1. The Alliance has also announced that it plans to convene a second Toronto City Summit on June 5, 2003 to discuss implementation of the action plan.

Comments:

The TCSA is a community-led initiative. By design, the Alliance process is not aligned with specific leaders at any level of government but has aimed to ensure that all levels of government are supportive. In this context, the CAO was invited to sit on the Toronto City Summit Alliance Steering Committee and, in that position, has been able to provide some advice and comments on the progress of the Alliance's work. In addition, staff from several City departments provided issue-specific sub-committees of the working group with information and advice when requested to do so. The Alliance's report includes recommendations on a number of issues, which Council has previously identified as being of great importance to the City of Toronto. As a result of the Alliance's interaction with city staff, the overall thrust of the Alliance's recommendations is consistent with Council's positions on the need for greater municipal fiscal sustainability and flexibility to address important local issues. Staff are in the process of reviewing the recommendations in detail and will report further on their implications for the City and their consistency with specific Council positions.

Conclusions:

In July 2000 Council set out on a path to achieve a new relationship with the provincial and federal governments. In doing so Council recognized the importance to this objective of marshalling broad multi-sectoral support and external champions.

Further, in adopting the Toronto Economic Development Strategy in August 2000, Council noted that "no one agency can take on the breadth and depth of actions necessary to advance the City's economy." Council identified as two of its highest priority actions the convening of an annual City Summit and the establishment of a Toronto 1st Partnership to bring together representatives

from business, labour, academia, arts and culture, not-for-profit, government and community organizations to promote Toronto to the world, to advocate on behalf of Canada's largest city, and to strengthen relationships between Toronto's diverse communities. The first Toronto City Summit held in June 2002 and 2nd annual summit scheduled for June 2003 and the Toronto City Summit Alliance are consistent with City Council's vision.

It is recommended that Council congratulate the chair and members of the Toronto City Summit Alliance for their efforts and advocacy on behalf of Toronto

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List of Attachments:

- 1. Summary of Toronto City Summit Alliance Recommendations and Proposed Initiatives (from "Enough Talk: An Action Plan for the Toronto Region", April 2003)
- 2. Toronto City Summit Alliance Steering Committee
- 3. Toronto City Summit Alliance Working Group

Attachment 1.

Summary of Toronto City Summit Alliance Recommendations and Proposed Initiatives (from "Enough Talk: An Action Plan for the Toronto Region", April 2003)

A New Fiscal Deal For Cities

- The TCS Alliance strongly urges the Ontario and federal governments to create a "new fiscal deal" for Toronto and other major city regions. This would mean:
 - 1. Relieving municipalities from taxes imposed by senior levels of government, such as the Ontario sales tax and federal GST, and from paying for the downloaded costs of affordable housing and social assistance. These actions will create fiscal room for cities to tackle their challenges with funds they already raise from local taxes.
 - 2. Putting in place predictable and meaningful long-term federal and provincial support for urban infrastructure especially transit.
 - 3. Allowing municipalities in Ontario the freedom to levy new taxes and fees for services they consider important.
- The TCS Alliance recommends that the federal government exempt municipalities from GST and that Ontario provide an exemption from the PST.
- The TCS Alliance recommends that the province, over time, take back responsibility for some social expenditures downloaded to municipal governments. This should include affordable housing and family assistance benefits.
- The TCS Alliance urges the federal government to allocate at least \$1 billion annually for strategic infrastructure projects in urban centres. A good portion of this should flow to the Toronto region, and particularly public transit. Federal support should be matched with provincial investment and new revenue sources to cover necessary investment in existing and new infrastructure.
- The TCS Alliance recommends that the Ontario government give municipal governments access to a broader range of revenue sources than property taxes and user fees. This will enable local governments to fund and be accountable for local services based on those revenue sources.
- The TCS Alliance recommends that municipal governments ensure that their financial tools (user fees, property taxes, and development charges) relate more closely to the cost of providing services in different locations and for different types of development – except where those fees or charges lead to undesirable behaviour or limit accessibility by low income earners.

Shoring Up Our Physical Infrastructure

Regional Transportation:

• The TCS Alliance recommends that the province, in consultation with the City of Toronto and regional municipalities, establish a regional Transportation Authority for the GTA-Hamilton area.

This body should have:

- Explicit, legislated authority to plan and fund capital investment in transportation infrastructure and associated short-term operating step-ups in the region.
- Authority over planning in an integrated manner for major arterial roads, including the 400 series highways and major transit systems expansions working with existing operators.
- Access to new, adequate, stable and predictable funding sources. These should include infrastructure funds from senior governments and the right to levy fuel taxes and potentially road tolls and user fees. The equivalent of 3 cents per litre per year of fuel tax would generate \$150 million in new funding alone.
- A commitment to smart growth principles.

The Waterfront:

- The TCS Alliance recommends that the Toronto City Council adopt the secondary plan for the waterfront as amended.
- The TCS Alliance recommends that all three levels of government clarify the mandate and role of the Waterfront Revitalization Corporation (TWRC) relative to that of their many agencies that are involved with the waterfront to give it clear responsibility for implementing the improved plan. The TWRC must also be funded appropriately so that it can fulfil that responsibility.
- The TCS Alliance recommends that the TWRC proceed, as the operational agency that is responsible for realizing the public's vision for the waterfront, proceed to provide the public infrastructure required for development.

Reviving Tourism in Toronto

- The TCS Alliance recommends that the Government of Ontario immediately address the marketing issue by allowing municipalities to raise funds locally to attract tourists. Specifically, the Government of Ontario should permit the creation of a Destination Marketing Fee (DMF), at the discretion of municipalities and with the support of their local hospitality industry. This would enable the City of Toronto and regional municipalities to introduce a 3 per cent marketing fee on hotel and motel rooms that would generate approximately \$24 million dollars in tourism marketing funds for the GTA annually.
- The TCS Alliance recommends that the Ontario government and the federal government match locally raised marketing funds, as is done in other cities in the country.

• The TCS Alliance recommends that the City of Toronto work with the provincial and federal governments and regional municipalities to develop a long-term plan for enhancing our key tourism attractions and infrastructure.

Creating a World-Leading Research Alliance

• The TCS Alliance, with the Toronto region's public and private research institutions, will create a Toronto Region Research Alliance that will work strategically to place Toronto among the front ranks of the world's research centres. The Toronto Region Research Alliance will include universities, colleges, teaching hospitals, government laboratories, leading companies, venture capitalists and private research institutes throughout the wider region, including Hamilton, Guelph and Kitchener/Waterloo.

<u>Investing in People</u>

Early Childhood Development:

- The TCS Alliance urges the Ontario government to recommit to the vision of "The Early Years Report" and to:
 - Ensure that current and new federal ECDI funding is combined with provincial funding to create sufficient new licensed and appropriately funded childcare spaces.
 - Use a portion of the funding that it receives under the federal Early Childhood Development Initiative (ECDI) to support ongoing assessment and reporting on the readiness to learn of children across the Toronto region.

Public Education:

• The TCS Alliance urges the Ontario government to make public education a priority. We strongly endorse the recommendations outlined in the Rozanski report and call on the government to accelerate its implementation to address funding deficiencies in our schools.

Post-Secondary Education:

• The TCS Alliance recommends that the provincial government provide an affordable space for every student in Ontario who is qualified for and seeking post-secondary education.

Becoming a Centre of Excellence in Integrating Immigrants

- The TCS Alliance will help establish a Toronto Region Council for Immigrant Employment to improve access to employment for immigrants in the region. The first action of the Council will be to launch an employer-led economic integration initiative.
- The TCS Alliance recommends and will help the Council create the conditions for a multilateral agreement between the federal government, the provincial government and interested

Toronto region municipal governments for more effective coordination of immigrant settlement services.

Strengthening Our Social and Community Infrastructure

- We believe that income security reform is essential to addressing the problems of urban poverty, income inequality and labour market changes. That reform will require a national debate and we plan to contribute to that process. In addition to a reformed income security system, the Toronto region needs a strong social and community infrastructure that includes:
 - Affordable housing and services to assist the homeless
 - A more robust network of community services.

Affordable Housing:

- In addition to the existing housing and homelessness programs and regulatory reform proposals, the TCS Alliance recommends a six point housing agenda over the next ten years for the GTA that asks federal and provincial governments to commit to the following:
 - Provide 10,000 rent supplements to assist existing and prospective high-need tenants in the near term
 - Make annual adjustments to the shelter component of social assistance to reflect local housing costs in the GTA
 - Create 40,000 new rental housing units over 10 years, 25,000 of these units to be truly affordable on a rent-geared-to-income basis through a rent supplement program targeted at new affordable rental buildings
 - Create 5,000 new supportive housing units for those who need social service support with their housing
 - Continue existing homeless support programs, such as the Supporting Communities Partnership Initiative that the federal government renewed in the recent budget
 - Bring 45,000 pre-1973 units of existing social housing to a good state of repair

Community Services Infrastructure:

- The TCS Alliance recommends the immediate establishment of a Tri-Partite Agreement among the City of Toronto, Ontario and federal governments to support community services infrastructure, particularly in Toronto's poorest neighbourhoods.
- In addition, the TCS Alliance recommends that the province, the city and the school board develop an immediate plan and provide adequate funding to ensure low-cost access to schools and other public spaces for community use.

Supporting the Arts and Culture

• The TCS Alliance urges the provincial government to restore arts funding to 1994 levels and all levels of government to provide at least inflationary increases annually.

• The TCS Alliance will work with the arts and culture sector, the Toronto Community Foundation (TCF), the Toronto Arts Council Foundation and the private sector to develop new approaches to arts and culture funding.

Attachment 2.

Toronto City Summit Alliance Steering Committee

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Attachment 3

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