

February 7, 2020

**Dear Mayor Tory and Councillors:**

Austerity has made a mess of our city. It's time to invest in building a Toronto we can be proud of.

Imagine what our city would look like if it had not been starved of resources for the past decade.

Instead, the gap between rich Torontonians and the rest of us has widened even more, and many communities have been left behind. Toronto has:

- an affordable housing crisis that is a daily struggle for hundreds of thousands of people,
- a homelessness crisis that is taking lives,
- a climate emergency that requires urgent action,
- child care that is unaffordable for 3 of every 4 families,
- a massively underfunded transit system that is deeply frustrating,
- mounting gun violence that is claiming young lives,
- a severe lack of access to recreation services, youth hubs, and libraries, and
- streets that put pedestrians and cyclists in danger.

Meanwhile, the City has conducted major reviews over the years to find efficiencies and learned that there aren't savings of sufficient magnitude to solve our city's problems. Now, as City staff and Council deliberate on the findings of the recent Ernst & Young *Value Based Outcomes Review* as a way to achieve new efficiencies, we must take into account the critical role of the municipal government in filling human service gaps that are not adequately addressed by other sectors.

The truth is that we have a revenue problem in Toronto. For a decade, Toronto City Council has chosen to keep property taxes at the lowest rate in the GTA (and lower than in other Ontario cities including Hamilton and Ottawa) and to reject other options to raise revenues for vital public services. Meanwhile, per capita spending (adjusted for inflation and population growth) has dropped over the past decade.

These choices have come at a cost for our city. To get out of this mess, we need to use every revenue tool at our disposal, as soon as possible.

It's true that the Province and the federal government also have a major responsibility to address Toronto's challenges—but that is not an excuse for inaction by the City.

Council has taken the first step toward raising revenues for needed infrastructure, but it's long overdue, and the City has a lot of ground to make up after a decade of austerity. Increases to the City Building Fund have not eliminated the City's revenue problem on the capital or operating side. Despite this important infusion of capital funding, the City's state of good repair backlog is set to increase significantly over the next decade. Revenue raised through the tax levy for the City

Building Fund covers capital costs only, which means other revenue sources are needed to improve operating funding for City programs and services.

**We ask that you provide bold leadership and make better choices for the decade ahead, starting with the 2020 City budget. We must:**

1. **Acknowledge past budget decisions that have caused some Torontonians to shoulder far more than others.** For example, the Gardiner eats up 44% of the transportation capital plan, yet the TTC serves almost four times as many commuters and is the least subsidized transit system in North America. Similarly, more money goes to the Toronto Police Service budget—already one of the biggest line items in Toronto’s budget at over \$1 billion—while community-led initiatives to prevent youth and gun violence have been unfunded because they were instead dependent on funding from other levels of government. The recent announcement of an additional \$6 million for community-based anti-violence funding in this year’s budget is a long-overdue step in the right direction.
2. **Begin to address Toronto’s revenue problem by using every viable municipal revenue tool currently at our disposal.** We can:
  - Reintroduce the vehicle registration tax. We lost \$64 million a year when a \$60 fee was scrapped.
  - Increase the municipal land transfer tax for mansions selling for over \$3 million, raising \$5.5 million a year.
  - Introduce a vacant homes tax. Anyone who can afford to leave a home empty can afford to pay the City a little extra. The City of Vancouver has raised almost \$40 million a year in this way to pay for affordable housing.
  - Start planning now to implement additional viable revenue tools in 2021, including a commercial parking levy that would bring in \$171–\$535 million a year.
3. **Use the millions of dollars in new revenue to simultaneously address the climate emergency and prioritize the needs of those Torontonians who are struggling the most.** This means building a city that supports Black, Indigenous, racialized, newcomer and LGBTQ2S+ communities, people with disabilities, and seniors. In particular women from these communities, who are often the primary caregivers of children and seniors and the lowest paid, are most likely to suffer from the lack of affordable child care and housing, inaccessible and expensive transit, dangerous streets, and the impacts of climate change. We need to apply equity and climate lenses to all budget decisions, building on the City’s Equity Responsive Budgeting initiative and the City’s recent climate emergency declaration. When a city protects its most vulnerable residents, *everyone* benefits.
4. **Legitimately engage Torontonians in the 2021 budget process.** No other aspect of City business has more of an impact on the everyday reality of Torontonians than the municipal budget. Yet over the past decade the City has shown less and less interest in hearing what residents care about most and what tradeoffs we are willing to make for those priorities. At minimum, the City should:
  - Give residents and community organizations adequate time between the budget launch and deputation days. This year’s 5 business days blatantly demonstrated how little community input is valued.
  - Give Torontonians — in every single ward and before the budget launch — a say in budget choices with user-friendly tools that allow residents to understand the tradeoffs, constraints, and opportunities in budgeting for a better city.
  - Provide multiple channels, times, and locations for residents to have input.

5. **Provide transparent and comprehensive budget information.** Community organizations, journalists, and others who serve as a bridge between the City and residents must have trust in the budget process. Yet the 2020 budget presentation included few details about millions of dollars in efficiencies and savings. Even City Councillors have to fight for briefing notes to understand the impact of changes. A budget is a policy document, an operations guide, a financial plan, and a communications device. Toronto should follow best practices, and Vancouver's lead, by presenting a comprehensive budget document that allows Councillors and everyday Torontonians to easily assess budget impacts.

A better city—one that works and cares for all of us—is possible. Let's not take another decade to invest in each other and build a Toronto we can be proud of.

**Signed,**

Afghan Women's Organization  
African Women Acting  
Agingcourt Community Services Association  
Ansaar Foundation  
Bangladeshi-Canadian Community Services  
Black Creek Community Collaborative  
Campaign 2000  
Canadian Centre for Policy Alternatives  
Centre for Immigrant and Community Services  
Centre of Learning & Development  
ClimateFast  
CNIB Foundation  
College-Montrose Children's Place  
CUPE Local 79  
Daily Bread Food Bank  
Davenport Perth Community Ministry  
Steering Committee  
Davenport Perth Neighbourhood and Community  
Health Centre  
Delta Family Resource Centre  
Emmanuel Life Management Center  
Faith in the City  
Family Service Toronto  
Flemingdon Park Ministry  
Fred Victor  
Hospitality Workers Training Centre  
Jane Alliance Neighbourhood Services  
Jane Finch Community Ministry  
Labour Education Centre

Lawrence Heights Inter-Organizational Network  
Let's Get Together!  
Massey Centre  
Mennonite Central Committee Ontario  
Millennial Womxn in Policy  
New Haven Learning Centre  
Ontario Council of Agencies Serving Immigrants  
Out of Bounds  
Park People  
Parkdale Activity-Recreation Centre  
Parkdale Queen West Community Health Centre  
Power in Community  
Progress Toronto  
PTP Adult Learning and Employment Programs  
Rexdale Community Health Centre  
Scarborough Civic Action Network  
Services in Action  
Sistering  
Social Planning Toronto  
South Asian Legal Clinic of Ontario  
South Riverdale Community Health Centre  
St. Felix Centre  
St. Stephen's Community House  
The Council of Agencies Serving South Asians  
The Dandelion Initiative  
The Neighbourhood Group  
The Neighbourhood Organization  
The Rhema Foundation Canada  
The Salvation Army

Times Change Women's Employment Service  
Toronto Community Benefits Network  
Toronto Community for Better Child Care  
Toronto Drop-In Network  
Toronto Education Workers/Local 4400, CUPE  
Toronto Environmental Alliance  
Toronto Neighbourhood Centres  
Toronto Public Space Committee  
Toronto Workmen's Circle  
Toronto Youth Cabinet

TTCRiders  
University Settlement  
Urban Alliance on Race Relations  
Uzima Women Relief Group International  
VHA Home HealthCare  
Voices of Scarborough  
West Neighbourhood House  
West Scarborough Community Legal Services  
Women's Habitat  
Workers' Action Centre  
YWCA Toronto