



June 27, 2016

Submitted by e-mail

Executive Committee
City of Toronto
c/o City Clerk's Office
100 Queen Street West
10FL West Tower
Toronto, Ontario M5H 2N2

Dear Mayor John Tory and members of the Executive Committee,

Re: EX16.3 – Updated Assessment of Revenue Options under the City of Toronto Act, 2006

CAA South Central Ontario is a not-for-profit automobile club representing over two million road users. While CAA is widely known for roadside services, we have been advocating on behalf of our Members since 1903 on issues related to infrastructure, road safety and consumer protection. As part of our ongoing efforts, we are committed to working with all levels of government to ensure that our roads are safe and in good condition for motorists, cyclists and pedestrians alike. CAA has been at the forefront on numerous transportation related initiatives including; supporting strengthened distracted driver legislation, advocating for the regulation of Ontario's tow truck industry, and cycling safety.

I am writing today to encourage members of the committee to consider revenue options that are not directed toward specific consumers or groups. As Toronto continues to see a large growth in population each year, and with increased strain on our already fragile infrastructure, the financial need to maintain and also increase infrastructure across the city, has never been greater. The proposed revenue options that impact transportation related activities are a concern for CAA and our members because it is a further tax burden directly on motorists.

Without in depth details of how numbers related to the proposed parking levies and road pricing (cordon pricing) came to be, CAA remains concerns about the methodology used and we encourage committee to reevaluate the inventory of off-street parking spaces within the city. The annual revenue potential from a parking levy is listed between \$171 million and \$535 million, an estimate that we believe is far too broad in scope, and one that does not take into consideration possible exemptions (Toronto Parking Authority, TTC, Universities and Hospitals etc.) that could be granted.

The costs for a motor vehicle owner in the province continues to rise and if implemented, a vehicle registration fee, cordon tax and/or potential road tolls places a further burden on motorists, who continue to substantially fund road infrastructure in the province. Revenue through provincial licencing fees, gas taxes and other areas provide funding for road building and maintenance, including funding for cycling infrastructure, pedestrian routes and public transit. In a 2013 report produced by the Conference Board of Canada entitled *Where the Rubber Meets the Road: How Much Motorists Pay for Road Infrastructure* (attached), it was estimated that in the Greater Toronto and Hamilton Area (GTHA) motorists pay in excess of 100% of costs related to infrastructure. The cost recovery of the GTHA road network was estimated to be 135.5% of the total infrastructure costs and by revisiting the prospect of a vehicle registration tax, the city would be overturning the decision of the previous administration of City Council and revert to duplicating a tax already being charged by the province.

There are safety implications for implementing road pricing (cordon and road tolls) that must be highlighted and considered. With a potential increase in vehicular traffic and parking along residential streets, as a result of road pricing avoidance, this may put pedestrians and vulnerable children at risk for injury, something that CAA has worked collaboratively with other stakeholders with, as part of the city's Road Safety Committee. School Zone Safety is a growing area of concern and something that CAA continues to advocate on. Our CAA School Safety

Patrol Program has been in operation for nearly a century and over 20,000 student volunteer across the province participate and continue to keep children safe. A potential shift in a commuter's route has the potential to not only devalue estimates on revenue collected, it creates new, unintended risks to residential areas that would need to manage the overflow of traffic.

Recognizing that sustained revenue and dedicated funding are important in order for a city to grow and succeed, CAA encourages committee to consider revenue options outlined in the report that are balanced and more representative of the entire city.

Thank you for your consideration of the above, I look forward to participating in discussions around issues that could potentially affect our membership and invite you to contact me if I can be of further information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Raymond Chan', written in a cursive style.

Raymond Chan
Government Relations Specialist
CAA South Central Ontario (CAA SCO)